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Official Report

MEETING OF THE PARLIAMENT

Wednesday 31 October 2012

Session 4

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Scottish Parliament

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[The Deputy Presiding Officer opened the meeting at 14:00]

Business Motion

The Deputy Presiding Officer (John Scott):

The first item of business today is consideration of business motion S4M-04618, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a timetable for stage 3 consideration of the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill. Any member who wishes to speak against the motion should press their request-to-speak button now. I call Joe FitzPatrick to move motion S4M-04618. [Interruption.] In his absence, I call the Cabinet Secretary for Finance, Employment and Sustainable Growth to move the motion formally. [Interruption.]

Sadly, I am informed that Mr Swinney is unable to move the motion. I will just take a moment to consult with my clerk. [Interruption.] Regrettably, only a member of the Parliamentary Bureau can move the motion. In the absence of any bureau members in the chamber, I will delay this piece of business until later.

Portfolio Question Time

Finance, Employment and Sustainable Growth

The Deputy Presiding Officer (John Scott):

We move on to portfolio question time. In order to get in as many members as possible, I would prefer short and succinct questions, with answers to match, although that may vary.

Draft Budget 2013-14 (Departmental Expenditure Limit Transfer)

1. Margaret McCulloch (Central Scotland) (Lab): To ask the Scottish Government what budget lines will be affected by the transfer of £250 million from DEL resource to DEL capital, as announced in the 2013-14 draft budget. (S4O-01396)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The transfer of nearly £250 million from DEL resource to DEL capital for 2013-14 will be made up of transfers within the following budget lines: health, enterprise bodies, the future funds—the warm homes and future transport funds—the young Scots fund, digital, housing, and rural and fisheries.

Margaret McCulloch: Across the chamber, we all welcome the emphasis on jobs and growth, but excessive cuts to resource budgets increase pressure on public sector employment, and failure to prioritise capital investment properly can dampen growth. It is a hard balancing act for the cabinet secretary. Will he therefore ensure that, in the interests of transparency, parliamentary committees are provided with details of how the £250 million transfer will be implemented? Will he also explain how those funds will help the construction sector, which has been rocked by two recessions and a decline in industry confidence?

John Swinney: I have already set out to Parliament the information in principle around the shift from resource to capital budgets. That is happening within those discrete budgets, so there is no question, for example, of resource allocations in one subject area being transferred to the capital budget in another. It is simply a transfer within those policy areas to support entirely the objectives that Margaret McCulloch highlighted of ensuring that more support is in place for the construction sector. We are doing that, of course, because of the very significant reduction in the capital budget of about a third in the current financial year.

I am certainly very happy to explain any further detail that the Parliament requires on those transfers. My colleagues and I are involved in

scrutiny sessions with different parliamentary committees on these points. I assure Margaret McCulloch that the purpose of the transfer from resource to capital is to support the construction sector. As she will be aware from gross domestic product statistics for the most recent quarter, there was welcome growth in construction activity in Scotland.

Local Authority Savings

2. Mark Griffin (Central Scotland) (Lab): To ask the Scottish Government what combined savings local authorities are expected to make in 2013-14. (S4O-01397)

The Minister for Local Government and Planning (Derek Mackay): As the Scottish draft budget 2013-14 sets out, the Scottish Government expects that all public sector bodies will individually deliver annual efficiency savings of at least 3 per cent over the course of the current spending review. While there is no requirement for local authorities to report on combined efficiency savings, the Convention of Scottish Local Authorities has reported that local government cash efficiencies for 2011-12 total £428.8 million and that that represents above 3 per cent efficiency savings.

Mark Griffin: I thank the minister for his answer but I asked about 2013-14. While I understand that perhaps not all local authorities have made public their spending priorities for this year, most have issued a savings package that runs alongside the spending review period. Why is it that the minister and his officials do not have the figure for 2013-14 to allow the minister and the cabinet secretary to analyse the impact on Scotland's economy of the cuts that local authorities have been forced to make?

Derek Mackay: It is a matter for local authorities to determine the savings that they have to make. It is not just about the income that they receive from Government but about demand on their services. The financial pressures that each local authority faces will vary from one to the next. The engagement process that they deploy and deliver to determine which savings to make is a matter for them.

The member could reflect on the fact that, as a share of Scottish Government spending, local government spending has been maintained by this Scottish Government and is far more generous than that which local government enjoyed under the previous Labour Executive.

Mary Scanlon (Highlands and Islands) (Con): Given the historic concordat between the Scottish Government and local authorities, I respectfully ask what approach is being taken to address the

significant levels of debt currently held by local authorities in Scotland.

Derek Mackay: The debt held by local authorities is kept within the prudential framework to ensure that any borrowing that a local authority chooses to make is within responsible limits, as determined by the financial regulations within which local authorities are expected to operate. That is kept under review and gives us some certainty that it is affordable and is delivering the economic regeneration that we were discussing earlier.

Ken Macintosh (Eastwood) (Lab): As well as being anxious about the savings that they might be expected to make, many in local government are concerned about the impact of the Public Service Pensions Bill, which is currently going through Westminster. Can the minister tell us whether the Scottish Government will lodge a legislative consent motion so that we can discuss the implications of that bill for everyone in local government in Scotland?

Derek Mackay: Those matters are under consideration. The Scottish Government has been discussing the potential impacts with partners and will continue to do so. It would be far better if pensions and other reserved matters were decided in this place rather than by a Westminster Government that the people of Scotland did not elect.

Preventative Spending (Contribution of Universal Benefits)

3. Joan McAlpine (South Scotland) (SNP): To ask the Scottish Government how universal benefits contribute to its preventative spending agenda. (S4O-01398)

The Minister for Local Government and Planning (Derek Mackay): The Scottish Government has made an important strategic decision to move towards preventative spending, which means investing in health and other social policy areas. That ultimately saves public money in the long run, while maintaining or improving outcomes. Our approach to what are sometimes termed universal benefits supports that agenda.

For example, by keeping people independent and living at home for as long as possible, we reduce the need for more expensive care in hospitals or care homes. By abolishing prescription charges, we are helping to ensure that our people receive the medical treatment that they need to lead healthy, productive lives. By providing free and more comprehensive eye tests, we can identify and treat a wider range of conditions at an earlier stage, reducing the need for acute interventions. By abolishing tuition fees, we are encouraging our people into higher

education, irrespective of wealth, and supporting participation in the labour market.

Joan McAlpine: The minister will be aware that at least 73,000 frail elderly people benefit from free personal care. If those people had to be provided with geriatric beds instead of care packages, how much would it cost the public purse?

Derek Mackay: It would be far more expensive to the public purse. In fact, the cost per head per annum would be some £82,000, including the overhead costs of the national health service. In comparison, in relation to home care, such an individual's costs would be as low as £6,240 per annum. Although those figures are averages, I make the point that keeping people at home, in the community or in a care home is not just financially beneficial but socially valuable. It is vital that we protect such policies—policies that were delivered by devolution, but which can be safeguarded with independence.

Orkney Islands Council (Funding)

4. Liam McArthur (Orkney Islands) (LD): To ask the Scottish Government what discussions it has had with Orkney Islands Council since May 2012 about how the shortfall in local government funding for Orkney, compared to Shetland and the Western Isles, might be addressed. (S4O-01399)

The Minister for Local Government and Planning (Derek Mackay): I have not had any direct discussions with Orkney Islands Council on that specific issue since May 2012. However, ministers and officials regularly meet representatives of councils, including Orkney Islands Council, to discuss such issues.

Liam McArthur: I recognise that the minister is a relative newcomer to this aspect of local government finance, but I am sure that his colleague, the Cabinet Secretary for Finance, Employment and Sustainable Growth, has briefed him on the many meetings and exchanges of correspondence that we have had over the years on the issue.

I recognise that there have been problems with opening up the funding formula. In the past, Mr Swinney has found ways of providing specific funding in relation to, for example, the extension of ferry services in the Orkney islands, which has helped to deal with the shortfall. Might the minister look to the imminent extension of the Hoy Head's capacity, as a way of addressing the shortfall in funding to my constituency?

Derek Mackay: I regret to inform the member that I am not a newcomer to local government finance; I was just looking at it—

Liam McArthur: The minister is a newcomer to this aspect of it.

Derek Mackay: That is a fair point. In the Convention of Scottish Local Authorities, all parties came together to agree that the distribution formula is about as fair as it can be. Of course, each one of the 32 authorities would like a formula that benefits and would be more advantageous to it but, in essence, no alternative distribution mechanism has been found.

We probe the integrity of the indicators that lead to the financial outputs and we will continue to do so, reflecting on the point that the member has made. However, to substantially change the distribution mechanism would require COSLA's agreement and, as it stands, COSLA would prefer that we continue with the current distribution formula. That transcends all the political parties that are currently members of the convention.

Rhoda Grant (Highlands and Islands) (Lab): The Scottish Government must recognise that there are increased costs in delivering services in our island communities, and that Orkney loses out, even in comparison to our other island communities. The same is true of health funding. Although a working group was set up some years ago to consider the health funding distribution formula, no discernible difference has occurred with regard to funding for remote and island communities.

Derek Mackay: That is exactly why the island communities enjoy the highest per head of population funding in all the local authorities. That mechanism is already deployed to ensure that the specific and unique circumstances that those populations face are taken on board, and there is specific support for the indicators that are more advantageous to the rural and island situation.

Jamie McGrigor (Highlands and Islands) (Con): Do ministers factor in the relative underfunding of Orkney, compared to funding for the other island authorities, when addressing other Government grants and funding streams? What has happened to the special island needs allowance?

Derek Mackay: As I said, there are mechanisms in place to ensure that the island authorities are well supported. The top three island authorities have the most generous per head of population funding in Scotland. Other bid funding is considered on a case-by-case basis. However, I ask the member to reflect on the spending decisions that we have made that ensure that the island communities are supported, not only through the mechanism that I have mentioned but through other Government financial packages, such as the road equivalent tariff.

Draft Budget 2013-14 (Departmental Expenditure Limit Transfer)

5. Elaine Murray (Dumfriesshire) (Lab): To ask the Scottish Government when the budget lines will be identified in relation to the transfer of £250 million from DEL resource to DEL capital as announced in the 2013-14 draft budget. (S4O-01400)

I apologise for the similarity of the wording of my question to that of the first question.

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): For the sake of variety, I will say that, as I said in my answer to Margaret McCulloch, the budget lines have already been identified.

Elaine Murray: I note what the cabinet secretary said in response to my colleague, Margaret McCulloch.

When will the committees become aware of the identification of those budget lines? As the cabinet secretary is aware, committees are currently scrutinising the budget and, unless committee members are aware of where resource might be transferred from, they will be less able to make a judgment regarding the effect on public services or on public sector employment.

John Swinney: I am happy to share that breakdown with the parliamentary committees and will do so in the light of the exchanges today.

Gavin Brown (Lothian) (Con): How much of the transfer from resource to capital came from savings from the Forth replacement crossing?

John Swinney: I have gone round the houses on this question—I have had déjà vu not just with Margaret McCulloch's and Elaine Murray's questions but with Gavin Brown's question. We have been round this point, and I have previously made clear to Mr Brown that individual projects have made savings in terms of their overall financial allocations.

The savings from the Forth replacement crossing in its original conception were used to fund a number of long-term investment funds, including the warm homes fund and the young Scots fund. Shorter-term savings have been made on the Forth replacement crossing because of the efficiency of the construction process that the Government has presided over. In the budget statement in September, I announced that £20 million was being taken out of the risk contingency for the Forth replacement crossing and invested in new housing projects, which I am sure Mr Brown will welcome as a consequence of the value of that investment.

Scottish Office of Budget Responsibility

6. Tavish Scott (Shetland Islands) (LD): To ask the Scottish Government what plans it has to support an independent Scottish office of budget responsibility. (S4O-01401)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The Scottish Government recognises that a robust fiscal framework that ensures responsible management of Government borrowing and financial planning is vital to the long-term sustainability of the public finances. In response to the second report of the Council of Economic Advisers in February 2010, the Scottish Government agreed in principle to the creation of a fiscal policy commission alongside moves towards greater fiscal autonomy, including the opportunity to borrow. In March 2012, the First Minister announced that the fiscal commission working group will include Professors Andrew Hughes-Hallett, Sir Jim Mirrlees, Frances Ruane and Joseph Stiglitz.

Tavish Scott: I thank the cabinet secretary for that reply. I hope that what he is driving at is that the commission will ultimately be independent of Government. Does he accept that Robert Chote, the boss of the Office for Budget Responsibility down in London, is able to give an independent, respected and authoritative assessment of Government finance and growth figures and other figures that are produced for the benefit of assessing the state of the economy? In that light, does he accept that, if the commission is to be meaningful and valuable not just for him but for future finance secretaries of whatever political persuasion, the important aspect is that it is independent of Government?

John Swinney: I agree unreservedly with that point. The essential lesson that has been arrived at from the work undertaken by the Council of Economic Advisers is that there is a discrete role, independent of Government, for the provision of quality information in relation to the financial assumptions that will arise out of the changes to the present constitutional arrangements. The Government accepts that argument, and we have taken steps to ensure that a fiscal commission—of the strength and capability of the four members that I listed—is able to undertake some of that important preparatory work on behalf of the Scottish Government and Scottish public.

Business Improvement Districts

7. George Adam (Paisley) (SNP): To ask the Scottish Government how many business improvement districts have been established and are in development. (S4O-01402)

The Minister for Local Government and Planning (Derek Mackay): There are now 15 operational business improvement districts across Scotland and a further 18 BIDs are in development.

George Adam: I thank the minister for his answer. I am aware that he knows about the £20,000 that the Paisley BID recently received. Does he agree that the money is a significant boost to the BID process in Paisley and will help to take it to the next stage?

Derek Mackay: Yes.

Support for Business (Hamilton, Larkhall and Stonehouse)

8. Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP): To ask the Scottish Government how many businesses in the Hamilton, Larkhall and Stonehouse constituency have received support from its direct interventions, such as the small business bonus scheme. (S4O-01403)

The Minister for Local Government and Planning (Derek Mackay): Data are not held on a constituency basis, but official statistics published on 24 October show that almost 3,600 business properties in South Lanarkshire are benefiting from the small business bonus scheme. That is the highest number since the introduction of the scheme and would have saved small businesses in South Lanarkshire, including those in Hamilton, Larkhall and Stonehouse, more than £28 million since 2008.

Christina McKelvie: I thank the minister for that very welcome news. Perhaps he will want to congratulate Hamilton on voting in favour of its BID status recently, following the minister's visit. The businesses in the area need that boost for their economic future. In light of Labour's cuts commission, does the minister share my concern that cutting the small business bonus scheme would severely damage the future of those businesses in Hamilton?

Derek Mackay: For some of the reasons that Christina McKelvie gave, the Government has secured the small business bonus. That is delivering for businesses, which is why we have committed to it for the lifetime of the parliamentary session.

Cycling Infrastructure

9. Jim Eadie (Edinburgh Southern) (SNP): To ask the Scottish Government what recent representations the Cabinet Secretary for Finance, Employment and Sustainable Growth has received on the need for investment in cycling infrastructure. (S4O-01404)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): I feel a sense of trepidation in saying that I have received one email from an MSP, dated 10 October, which enclosed an email from one of their constituents. I have been on the receiving end of significant campaigns in the past, but recent correspondence has been more modest. However, the Minister for Transport and Veterans receives representations regularly on a range of cycling issues, including road safety, cycle training and investment.

Jim Eadie: I am sure that the cabinet secretary's trepidation is unwarranted. He will be aware that I have form on the issue, which I have raised previously in the chamber with transport and climate change ministers.

The cabinet secretary will also be aware that a number of cycling organisations are concerned that, without sustained investment in cycling infrastructure, it will not be possible to meet the ambitious target of 10 per cent of all journeys being made by bicycle by 2020. Those organisations want to know that we share their ambition to make Scotland a cycle-friendly nation, with the investment to match. Will the cabinet secretary therefore agree to meet me and Alison Johnstone—the co-conveners of the cross-party group on cycling—to discuss how we can build on the increased funding of the past 12 months, so that we can meet the 2020 target?

John Swinney: I acknowledge and welcome Mr Eadie's long-standing interest in cycling. He will be aware that, in last year's budget, I committed to expenditure of £7.16 million this year and of £8.16 million and £9.16 million in the following two years. On 20 September, I announced an additional £6 million for cycling development, which I am sure he welcomes.

That action is part of our active steps to strengthen the provision that is put in place to assist in developing cycling infrastructure. I would be happy to meet Mr Eadie and Alison Johnstone to discuss the issue further. I acknowledge the interest of a range of organisations in the debate and I would be happy to have further discussions.

Claudia Beamish (South Scotland) (Lab): I highlight to the cabinet secretary that I have received a number of representations about urban and rural cycling issues and infrastructure. On that basis, and as I am a member of the cross-party group on cycling, I ask whether the Scottish Government intends to follow up the proposal to invest £1.32 billion in active travel over the next 11 years, as set out in the report on proposals and policies.

John Swinney: The Government sets out its financial commitments in the budget. As I

explained in my supplementary answer to Mr Eadie, the Government has made clear the financial plans.

The work to update the report on proposals and policies is on-going and will be shared with Parliament in due course. The investment that the Government has made has clearly increased in recent years. I am sure that that approach is welcome across the chamber.

New Affordable and Social Rented Homes (Budget)

10. Richard Baker (North East Scotland) (Lab): To ask the Scottish Government what discussions the Cabinet Secretary for Finance, Employment and Sustainable Growth has had with the Cabinet Secretary for Infrastructure, Investment and Cities to ensure that the 2012-13 budget for housing supports its ambition for new affordable and social rented homes. (S4O-01405)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): I have discussions with all cabinet secretaries at Cabinet meetings, and I hold separate meetings with individual cabinet secretaries to discuss their portfolios. One of our highest priorities is taking action on housing, which is why the Government is implementing a range of measures that will not only increase the supply of affordable and social rented homes but support our construction sector, which will help to create jobs and stimulate economic growth.

Richard Baker: I know that the cabinet secretary is aware of the huge need for affordable homes in the north-east. How will the pledge of increased affordable housing be met given the budget cut of £66 million? Of the additional £40 million that he announced for housing in the budget statement, only £10 million is to be invested in the next year. I am sure that he will say that more homes are being built with less investment, but I am told by housing associations in my region that that is being achieved largely through the spending of their reserves, and those funds have now been exhausted.

John Swinney: The Government is determined to meet the commitment that we made in our manifesto to deliver 30,000 affordable homes during the five years of the current session of Parliament. In the first year of that five-year period, we successfully constructed 6,882 homes, which, on the basis of rudimentary arithmetic, would suggest that after one year we are ahead of our target.

I have made the point to the Parliament many times that the Government is using a variety of measures to leverage more value from the housing expenditure that we have at our disposal.

For example, the national housing trust proposition requires significantly less Government subsidy than the routine support that we provide for registered social landlord house construction programmes.

The Parliament needs to focus ever more on the outcomes that are achieved—in this case, the number of houses that are constructed—rather than on comparisons of the sums of money that are available to the housing budget. Surely it is what is achieved and delivered as a consequence of our investment that matters, rather than simply a comparison of one budget line with another.

Alex Johnstone (North East Scotland) (Con): I heard the minister's answer, but will he take the opportunity to acknowledge that the drip-feeding of announcements and the substantial reannouncement of small funding concessions does not disguise the fact that the housing budget is substantially lower than it was two years ago?

John Swinney: Frankly, Mr Johnstone's comment is a bit rich, given where he is sitting in the chamber. The reason why the housing budget is under pressure, as are all our capital budgets, is that our capital budget is £1 billion a year lower because of the actions of the Conservative Government. That is why capital investment is under pressure.

Mr Johnstone should get his argument straight. First, he should accept that point. Secondly, he should accept that this Government is delivering more value for housing investment than anyone has delivered in the past. Thirdly, he should welcome the increased amount of money that I am putting into housing as part of the prudent financial management by this Administration.

The Deputy Presiding Officer: Question 11 has been withdrawn by Christine Grahame. An explanation has been provided.

Non-domestic Rates (Poundage for 2013-14)

12. Sarah Boyack (Lothian) (Lab): To ask the Scottish Government when it will set the non-domestic rates poundage for 2013-14. (S4O-01407)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The Scottish Government will announce its provisional non-domestic rates poundage for 2013-14 as part of the local government finance settlement later this year. Final confirmation of the poundage level will be provided early in the new year, following the United Kingdom Government's announcement of its poundage, which we are committed to matching.

Sarah Boyack: The minister will be aware of calls from Scottish Chambers of Commerce for business rates for 2013-14 to be frozen in the light of the 5.6 per cent increase in this year's rates, which was triggered by the high level of the retail prices index in September last year when it hit a 20-year spike. Will the minister state what discussions he has had with Scottish Chambers of Commerce about its calls? Will he clarify whether the Scottish Government is considering freezing rates as Scottish Chambers of Commerce suggests?

John Swinney: If my recollection is correct, Scottish Chambers of Commerce has not made any formal, direct representations to me on that point. I have, of course, seen the material in the media on its call, and I will be happy to meet it to discuss the proposal that it has put forward. I see it frequently and I am happy to consider any issue that it puts to me.

I have to make the point, however, that I have set an assumption on the non-domestic rates income for 2013-14 that has an inflation assumption embedded within it. If that was not applied, there would be a financial consequence for the public finances of Scotland.

Tax Consultation Forum

13. Alison Johnstone (Lothian) (Green): To ask the Scottish Government when the tax consultation forum will next meet and what issues will be on the agenda. (S4O-01408)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): Plans for the tax consultation forum are being developed. Its aim is to provide opportunities for the Scottish ministers to provide information to and seek views from those with an interest in tax on relevant issues including proposed Scottish tax legislation and consultations. Arrangements for the first meeting will be made public as soon as possible.

Alison Johnstone: Recently, we learned that Starbucks, which according to its shareholders reports is a patently profitable enterprise, has paid a mere £8.6 million in corporation tax in the United Kingdom in the past 14 years and nothing in the past three. Clearly, the establishment of revenue Scotland and the prospect of further devolution represent a unique chance for us to take our time to build a fairer system instead of hastily importing United Kingdom problems and loopholes. Does the cabinet secretary agree that any new taxation system in Scotland should explicitly support the local economy and small businesses that pay their fair share of tax and support vital public services?

John Swinney: Our interest in supporting local economies has been demonstrated in our actions,

such as the introduction of the small business bonus scheme, which has given such assistance to individual communities the length and breadth of the country, and our focus in certain other Government interventions.

Alison Johnstone makes a very serious point about the payment of appropriate tax and the tackling of tax avoidance. Indeed, I am currently immersed in these issues in dealing with the land and buildings transaction tax, the legislation for which will shortly be submitted to Parliament. We have had extensive discussions with various stakeholders to configure a regime that explicitly responds to the point I made in my parliamentary statement prior to the summer recess that the Scottish regime should aggressively tackle tax avoidance, and I assure the member that that will be at the heart of the legislation that the Government introduces.

I also assure Alison Johnstone and the Parliament in advance of the tax consultation forum meeting that these considerations have been extensively discussed with various stakeholders, including the Law Society of Scotland and the Institute of Chartered Accountants of Scotland, to ensure that we take the correct steps to construct legislation that minimises tax avoidance opportunities.

Entrepreneurial Businesses

14. Stewart Stevenson (Banffshire and Buchan Coast) (SNP): To ask the Scottish Government what benefits arise from investment in entrepreneurial businesses. (S4O-01409)

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): Such investment benefits the economy, businesses and society.

Stewart Stevenson: Is the minister aware that the cabinet secretary's announcement of the encouraging dynamic growth entrepreneurs—or EDGE—fund has been widely welcomed? Will the fund focus in particular on proposals with the greatest prospects of creating new jobs and wealth in Scotland?

Fergus Ewing: I thank Stewart Stevenson for his question, to which the answer is yes, it will. We are delighted at the very warm welcome that the EDGE fund has received across the business and public sector. For example, Sir Tom Hunter said:

"This is a huge boost for entrepreneurs in Scotland".

Sir Willie Haughey has said:

"This scheme is something that Scotland has been crying out for. I have no doubt that this support for start-up businesses will increase the success rate."

In response to Mr Stevenson's question, the fund will indeed make awards to businesses

judged most capable of delivering jobs and growth.

Grameen Scotland Foundation

15. Sandra White (Glasgow Kelvin) (SNP): To ask the Scottish Government what its position is on the model of microfinance proposed by the Grameen Scotland Foundation for tackling poverty. (S4O-01410)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The Scottish Government is supportive of the Grameen Scotland Foundation and has provided a grant towards the costs of setting up the Grameen Bank pilot in Scotland. Given that access to finance has been, and remains, an issue for some individuals who wish to set up in business but are unable to obtain finance from traditional funding sources such as banks, we welcome the focus of the initial United Kingdom branch on communities in and around the city of Glasgow.

Sandra White: I welcome the Scottish Government's support for the project, which was devised by Nobel laureate and new chancellor of Glasgow Caledonian University, Muhammad Yunus, and has been inspirational all over the globe. The cabinet secretary will be aware that the university is to examine the long-term impact of Grameen lending on communities. Will the Scottish Government support that work and, if so, how will it feed that research into its own communities strategy?

John Swinney: I have been involved in discussions about the Grameen Scotland Foundation for some considerable time, and I have been struck by the effectiveness of the model that Professor Yunus and the Grameen Scotland Foundation have implemented. For that reason, I gave an early commitment to the foundation of the Government's award of a grant of £100,000 to support the development of the Grameen Bank in Scotland.

I will monitor the progress of the development very closely because there are some very interesting lessons to be learned about the way in which microfinance can transform the life chances of individuals who live in some of the most deprived circumstances in our communities. The model should attract a good deal of attention. I am particularly proud that the first venture is taking place in Scotland.

My colleague, the Cabinet Secretary for Education and Lifelong Learning, Michael Russell, had the pleasure of being present at Glasgow Caledonian University on Friday to witness the installation of Professor Yunus as the chancellor of

the university. The Government welcomes that appointment.

Assistance for Small Business (Angus)

16. Graeme Dey (Angus South) (SNP): To ask the Scottish Government what it is doing to assist small business in Angus. (S4O-01411)

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): Small businesses are the backbone of the rural economy. The small business bonus scheme assists nearly 2,200 premises in Angus, and more than 200 business start-ups in Angus had help from the business gateway last year.

Graeme Dey: The Scottish Government's small business bonus scheme has provided vital financial assistance to high street shops across Angus and has protected existing businesses as well as encouraging start-ups. However, times are tough and shops are still closing down. Does the minister agree that the public also needs to support small-scale high street retailers on the basis of use them or lose them?

Fergus Ewing: The small business bonus has been a lifeline for businesses in Scotland, each of which can make savings of up to £4,500 this year, which is £3,000 more than their counterparts south of the border. Last year, 89,087 businesses received help, which is up 4,000 on the previous year.

I entirely agree with Graeme Dey's proposition that we all have a responsibility to use local shops or we risk losing them. We have the responsibility and pleasure of shopping locally in our constituencies, so the answer is in our hands or, perhaps more accurately, in our wallets.

Unemployment

17. Mary Scanlon (Highlands and Islands) (Con): To ask the Scottish Government for what reason unemployment in Scotland rose by 0.3 per cent in the three months to August 2012, compared with a fall of nearly 0.2 per cent across the United Kingdom. (S4O-01412)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The difference is partly explained by the fact that it is estimated that more than 100,000 employment opportunities were created as part of the Olympic games in the London area. Clearly the impact of the Olympics is likely to be temporary, and those jobs may have a masking effect on the reality of the economic situation.

In 12 of the last 18 monthly releases, the Scottish unemployment rate was equal to or lower than the United Kingdom rate.

Mary Scanlon: Given the shortage of qualified and skilled engineers in the oil, gas and renewable energy industries, why have student numbers at further education colleges fallen by more than 73,000 between 2008 and 2011? Does the finance secretary believe that young people in Scotland are being given the opportunities to access the skills to do those jobs?

John Swinney: I do believe that to be the case. That is why the Government has put in place the funding that has maintained the full-time equivalent student numbers that we proposed in 2011-12.

I also say to Mary Scanlon that the announcement that I made in the budget on the establishment of an energy skills academy is a direct response to the fact that the oil and gas industry faces many challenges in obtaining the necessary skilled personnel to support its activities. Much of our work through curriculum for excellence and other interventions to encourage more young people to become involved at an earlier stage in the technology and engineering disciplines is part of a long-term strategy to ensure that the oil and gas sector and the renewable energy sector are properly supported in the employment challenges that we will face in the years to come.

Business Motion

14:40

The Deputy Presiding Officer (John Scott): The next item of business is consideration of business motion S4M-04618, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a timetable for stage 3 of the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill.

The Minister for Parliamentary Business (Joe FitzPatrick): I first of all apologise for not being here earlier, Deputy Presiding Officer.

I move,

That the Parliament agrees that, during stage 3 of the Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill, debate on groups of amendments shall, subject to Rule 9.8.4A, be brought to a conclusion by the time limit indicated, that time limit being calculated from when the stage begins and excluding any periods when other business is under consideration or when a meeting of the Parliament is suspended (other than a suspension following the first division in the stage being called) or otherwise not in progress:

Groups 1 and 2: 30 minutes

Groups 3 and 4: 1 hour 5 minutes

Groups 5 and 6: 1 hour 30 minutes

Groups 7 and 8: 1 hour 50 minutes.

Motion agreed to.

Local Government Finance (Unoccupied Properties etc) (Scotland) Bill: Stage 3

14:40

The Deputy Presiding Officer (John Scott):

The next item of business is stage 3 proceedings on the Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill. In dealing with the amendments, members should have the bill as amended at stage 2, which is paper SP bill 12A, the marshalled list, which is SP bill 12A-ML, and the groupings, which is SP bill 12A-G. The division bell will sound and proceedings will be suspended for five minutes for the first division of the afternoon. The period of voting for the first division will be 30 seconds. Thereafter, I will allow one minute for the first division after a debate. Members should refer to the marshalled list of amendments.

Section 1—Rating of unoccupied lands and heritages

The Deputy Presiding Officer: We come to group 1. Amendment 8, in the name of Margaret Mitchell, is grouped with amendments 9, 10, 15 and 17.

Margaret Mitchell (Central Scotland) (Con):

Amendment 8 would ensure that the bill would actually do what the Minister for Local Government and Planning has constantly asserted is intended. The amendment specifically seeks to ensure that the non-domestic rate increase applies only to the small but significant number of commercial properties throughout Scotland that are wilfully left unoccupied. A list of safeguards—including on how often the property has been advertised, how often offers to buy or let have been received, the state of repair and any other steps that have been taken to encourage occupation—to test for wilful inoccupation are included in the consideration when a decision is being made.

I lodged a similar amendment at stage 2 and have taken into account the minister's and other members' comments at that stage. Amendment 8 differs from my previous amendment in the following respects. First, the period of time after which an empty property will be deemed to be wilfully unoccupied has been lowered from 10 years to seven years. That change is made in response to concerns about the 10-year timescale being too long. Furthermore, the amendment now contains a specific reference to the price at which properties have been offered for sale or let as one of the factors to be considered.

Crucially, amendment 8 would now ensure that the burden of proof that a property is not wilfully unoccupied rests with the owner rather than with the local authority. That addresses concerns that were expressed at stage 2 to the effect that my amendment then presented an unacceptable extra burden on local authorities in terms of determining whether properties are wilfully unoccupied.

Without amendment 8, the additional tax burden that will be imposed by the bill will fall heavily on businesses and commercial property owners who are desperate to sell or lease their properties but who have unoccupied properties not through choice, but due to a fundamental lack of demand and the current economic climate.

Amendments 15 and 17 relate to domestic properties and again seek to target the small number of domestic properties that are deliberately being left empty and allowed to deteriorate. The arguments that have already been outlined on amendment 8 and the list of factors to be taken into account are applicable here in determining whether a domestic property is wilfully occupied.

14:45

Amendment 9 relates to existing commercial properties that have a number of different businesses located within the premises. It seeks to ensure that if one tenant were to vacate a business unit within a property, the owner of the building would not become liable for the increase in rates that the bill will impose. Amendment 9 is vitally important in protecting other business that are located within a multiple-occupancy commercial property, given that in these dire economic times even a small increase in overheads could be sufficient to put the owner of a property business into administration, which would result in uncertainty for other businesses located there, and potential job losses.

I move amendment 8.

Gavin Brown (Lothian) (Con): I am an enthusiastic supporter of Margaret Mitchell's amendments—especially amendment 8. However, in case amendment 8 does not find favour with Parliament, I want to speak to amendment 10, which would give a fair exemption to businesses that are making a big effort to let or sell their properties.

I tried very hard to reflect the language that is used by the Government in its policy memorandum on the bill. Paragraph 38 of the policy memorandum clearly states that it would be

“unfair to penalise owners who may be attempting to bring their home back into use, but are unable to”.

Of course, that is in reference to council tax, as opposed to non-domestic rates. The approach to council tax appeared to be backed up at the committee stage, when Keith Brown stated:

“If it was clear that a sincere effort had been made to sell or let a property, for example, we would not want to punish somebody for a genuine attempt to bring an empty home into productive use.”—[*Official Report, Local Government and Regeneration Committee*, 30 May 2012; c 1077.]

If the principle holds for the Government in relation to council tax, why does it not hold in relation to non-domestic rates? Surely it would be equally unfair to penalise businesses that are working round the clock to bring their properties back into use.

Those sentiments came through in the consultation on the council tax element of the bill, but such sentiments were unable to come through in the consultation on non-domestic rates because there was no such consultation.

The policy memorandum also argues at paragraph 41 for

“a mandatory exemption from the tax increase for up to twelve months for owners who are proactively trying to sell their home at a reasonable price.”

At paragraph 42, it states that there ought to be a “discretionary exemption” where

“the owner is actively trying to let their empty home.”

We believe that both those exemptions should be mandatory and applicable in the case of non-domestic rates, and that that ought to appear in the bill—hence, amendment 10. If it is to vote against amendment 10, the Scottish Government must explain why hard-pressed businesses are not entitled to the same rights as hard-pressed house owners.

The Minister for Local Government and Planning (Derek Mackay): At an earlier stage, Ms Mitchell proposed that empty properties should not be subject to tax increases until they had been wilfully unoccupied for 10 years or more. I appreciate that in amendments 8, 15 and 17 she has made attempts to change that proposal, which was rejected at stage 2. However, I am unconvinced of the difference in intention between seven and 10 years—a difference of three years. Margaret Mitchell’s attempt to improve on her original amendment fails to address the significant problems that we identified at stage 2. Seven years would still be far too long to leave owners without encouraging them to do something about bringing their properties back into use. Fundamentally, if one believes—as we do—that the change to rates relief will incentivise properties back into use, why wait seven years? As I said at stage 2, the Scottish Government believes that it would be extremely difficult for a council to verify

that a property had been wilfully unoccupied throughout a seven-year period.

The creation of a bureaucratic system to include a requirement for the owner to satisfy the local authority that they have been trying to occupy the property over a seven-year period would be difficult for business as well as local authorities. Even the detail of the amendments gives us an insight into how problematic it could be.

Amendment 10, in the name of Gavin Brown, seeks to allow properties that are being actively marketed a grace period of up to 15 months. An obvious weakness is that nothing in the amendment would require that the marketing price be realistic. Again, the amendment misses the point that, right now, the level of non-domestic rates means that it is cheaper to keep properties closed than it is to have them open for business, unless they are eligible for one of our many other generous reliefs.

Gavin Brown: Why is it fair to give the exemption to home owners but not to businesses? That is in the Government’s own policy memorandum on the bill.

Derek Mackay: As has been explained before, there is a world of difference between domestic properties and non-domestic properties in terms of how such a system could be administered. I remind members that we have the most generous package of rates relief in the United Kingdom.

I understand that Mrs Mitchell was, in lodging amendment 9, attempting to protect serviced office or business-park accommodation. However, in reality, the amendment would simply create scope for tax avoidance, because any owner could—often cheaply and temporarily—subdivide a property in order to avoid rates increases.

The Government cannot support any of the amendments in the group, but will continue to listen to stakeholders and adapt policy to fit what they tell us would assist their particular needs. The new fresh start relief scheme, which I announced at stage 2, will create a new incentive to encourage our entrepreneurs to occupy long-term empty retail and office property. That relief will also encourage use of long-term empty new-build property as offices and shops. So, high streets and new developments will benefit.

Mrs Mitchell may also be interested to learn that, in the rates consultation that we will publish shortly, we intend to ask whether local authorities should be given wide powers to offer local relief. That approach could address concerns that were raised during my extensive engagement. Currently, no such flexibility exists.

I urge members not to support any of the amendments.

Margaret Mitchell: The minister still fails to accept and to realise that businesses are left empty not through choice and to save money, but due to lack of demand in this economic crisis. The fact that generous packages for rates relief are available to certain businesses is due, particularly, to the Scottish Conservatives having supported the Scottish National Party Government to make that a priority. However, the bill will ensure that businesses that do not benefit from those generous packages will be at a competitive disadvantage compared to businesses elsewhere in the UK. I say to anyone who is minded to support the SNP's and the minister's stance today that they should be prepared to go out into their constituency and justify why they voted for a measure that will increase the rates burden on all the empty properties in our town centres for businesses that simply cannot rent or sell them.

I press amendment 8.

The Deputy Presiding Officer: The question is, that amendment 8 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division. I suspend the proceedings for five minutes to allow the division bell to be rung and members to return to the chamber.

14:53

Meeting suspended.

14:58

On resuming—

The Deputy Presiding Officer: We move to the division on amendment 8.

For

Brown, Gavin (Lothian) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)

Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)

Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 17, Against 96, Abstentions 0.

Amendment 8 disagreed to.

15:00

Amendment 9 moved—[Margaret Mitchell].

The Deputy Presiding Officer: The question is, that amendment 9 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)

Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)

Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 17, Against 94, Abstentions 0.

Amendment 9 disagreed to.

Amendment 10 moved—[Gavin Brown].

The Deputy Presiding Officer: The question is, that amendment 10 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Park, John (Mid Scotland and Fife) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)

Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)

Wilson, John (Central Scotland) (SNP)
Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 50, Against 61, Abstentions 0.

Amendment 10 disagreed to.

The Deputy Presiding Officer: Group 2 is on non-domestic rates payable in respect of new build and refurbished properties prior to occupation. Amendment 11, in the name of Margaret Mitchell, is grouped with amendment 12.

Margaret Mitchell: Amendments 11 and 12 seek to address the concerns that were expressed in evidence to the Local Government and Regeneration Committee about the detrimental effects that the proposed cuts in empty property non-domestic rates relief could have on commercial speculative development.

If the Scottish National Party Government is serious about economic recovery—a vital part of which is the boosting of the construction industry—speculative development and inward investment must be encouraged and supported. There is a wealth of evidence that confirms that the bill, as it stands, will do precisely the opposite. The Business Centre Association noted that many such developments and refurbishments “are being shelved” already, while the Scottish Chambers of Commerce expressed the concern that

“the reduction of Empty Property Relief could also stifle speculative development”.

That view was echoed by the Scottish Retail Consortium, the Scottish Property Federation and the Scottish Council for Development and Industry.

If we were to exempt speculative developments from the cuts in empty property non-domestic rates relief, new developments and refurbishments of existing properties would not be affected. Therefore, amendment 11 seeks to ensure that the bill will, if not actively encourage speculative development, at least refrain from approving a barrier and deterrent to such developments.

Amendment 12, which provides for repeal of schedule 3, is intended to give effect to amendment 11.

I move amendment 11.

Derek Mackay: The Scottish Government does not support amendments 11 and 12. Although I understand that the intention behind them is well-meaning, speculative development is more greatly affected by the general downturn and issues of bank lending.

Many new eligible developments without a pre-let would benefit from the fresh start initiative after 12 months on bringing their property into use on occupation.

I believe that the unintended consequences are that amendment 11 could create an incentive for people to make their properties unsuitable for occupation and thereby avoid paying tax, even with regard to new builds that are nearing completion. For those reasons, the Government cannot support the amendments, so I urge Mrs Mitchell not to press them. Non-domestic rates are not a profit tax or an operational tax; they are a property tax and our duty should be to deploy policies that incentivise their use, not policies that create loopholes.

Margaret Mitchell: The Scottish Government is constantly arguing that it should have more powers and that if only it did have more powers, our economic prospects would be so much more rosy. [*Interruption.*] The SNP back benchers are cheering, but today they will be voting against an amendment that seeks to encourage speculative development. We may as well put up the sign, “Inward investment not welcome in Scotland under this SNP Government”.

The Deputy Presiding Officer: The question is, that amendment 11 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
Davidson, Ruth (Glasgow) (Con)
Fergusson, Alex (Galloway and West Dumfries) (Con)
Fraser, Murdo (Mid Scotland and Fife) (Con)
Goldie, Annabel (West Scotland) (Con)
Hume, Jim (South Scotland) (LD)
Johnstone, Alex (North East Scotland) (Con)
Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
McArthur, Liam (Orkney Islands) (LD)
McGrigor, Jamie (Highlands and Islands) (Con)
McInnes, Alison (North East Scotland) (LD)
Milne, Nanette (North East Scotland) (Con)
Mitchell, Margaret (Central Scotland) (Con)
Rennie, Willie (Mid Scotland and Fife) (LD)
Scanlon, Mary (Highlands and Islands) (Con)
Scott, Tavish (Shetland Islands) (LD)
Smith, Liz (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen Donside) (SNP)
Adam, George (Paisley) (SNP)
Adamson, Clare (Central Scotland) (SNP)
Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
Baillie, Jackie (Dumbarton) (Lab)
Baker, Claire (Mid Scotland and Fife) (Lab)
Baker, Richard (North East Scotland) (Lab)
Beamish, Claudia (South Scotland) (Lab)
Beattie, Colin (Midlothian North and Musselburgh) (SNP)
Biagi, Marco (Edinburgh Central) (SNP)
Bibby, Neil (West Scotland) (Lab)
Boyack, Sarah (Lothian) (Lab)
Brodie, Chic (South Scotland) (SNP)
Brown, Keith (Clackmannanshire and Dunblane) (SNP)
Burgess, Margaret (Cunninghame South) (SNP)
Campbell, Aileen (Clydesdale) (SNP)
Campbell, Roderick (North East Fife) (SNP)

Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)

Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 17, Against 96, Abstentions 0.

Amendment 11 disagreed to.

The Deputy Presiding Officer: We move to group 3, which is on the power to increase non-domestic rates for unoccupied properties: consultation and procedure. Amendment 3, in the name of John Pentland, is grouped with amendments 4 and 5.

John Pentland (Motherwell and Wishaw) (Lab): Amendment 3 is designed to address the democratic deficit that has been created by the bill. The arguments for this amendment also apply to amendment 4, which deals with the corresponding legislation for partially occupied properties. The progress of the bill has raised serious concerns about the ability of this Parliament to ensure that there is effective scrutiny of legislation.

The first reason for that is that the main effect of the bill is to remove limitations and to give additional powers to ministers. The impact of the bill is thus hugely dependent on how those powers are used through secondary legislation.

The second reason is that getting a clearer picture of the Scottish Government's intentions for the regulations—and the evidence to support them, which is important—has been tortuous. Time and again, information has been produced at the last minute or after the relevant discussions have taken place. Although the minister has now issued draft regulations to give a more favourable discount to properties that are reoccupied after being empty, they were made available only recently and there has not been an opportunity to scrutinise the evidence on that measure.

That leads to the third reason: information has not been gathered about the impact of the bill in the form of a business and regulatory impact assessment. I therefore want to ensure that secondary legislation receives the parliamentary scrutiny that has so far been denied or at least diminished by how the bill has been treated to date. Only by the Parliament supporting my amendments can that be guaranteed. The alternative leaves the decision to the discretion of a small handful of MSPs.

Without such scrutiny, we are being asked to put our faith in the minister and to trust him to do

the right thing. I do not believe that that is why our constituents put us in this place. They expect us to be sceptical and to scrutinise the Scottish Government's actions. It is our responsibility to examine and question legislation that gives powers to ministers and to examine and question how they are used. To do so, the Parliament needs the opportunity to assess and debate secondary legislation. That is particularly the case when much of the impact of a bill will be determined by the regulations that are issued by ministers.

My amendments are designed to ensure that regulations will come back to the Parliament so that we can make a careful and considered judgment on them. Ministers are not infallible; I am sure that many will agree—even the odd minister—that they are far from infallible. If the Scottish National Party wants a mature democracy, it must overcome its fear of scrutiny—in this instance by supporting the affirmative procedure.

I move amendment 3.

The Deputy Presiding Officer: I call Sarah Boyack to speak to amendment 5 and the other amendments in the group.

Sarah Boyack (Lothian) (Lab): I am concerned that the non-domestic rates proposals in the bill will create problems for many businesses and will not deliver on the SNP Government's aspirations.

Throughout the process of discussion on the bill, the most worrying aspect has been the lack of financial rigour in relation to the non-domestic rates proposals. Those proposals were announced in last year's budget, and the Government declined to carry out a business and regulatory impact assessment on the basis that it would not be proportionate.

Ministers see the amount of money involved as small in the context of the Scottish Government's overall budget. I understand that, but the point is that the proposals will create major problems for businesses and representatives of business and retail interests as they struggle through these tough economic times. Given the potentially disastrous impact on businesses, it is simply unacceptable that the Parliament has not seen a proper impact assessment of the proposals.

That is government by assertion. We know the problems that have been experienced in England on the back of similar legislation. There have been demolitions and a stalling of speculative investment in town centres. For some businesses, it has simply been the last straw. Many commercial and retail properties are empty because of the recession and the lack of demand in the economy. That is why we have consistently argued for a proper assessment of the proposals

since the Finance Committee and the Local Government and Regeneration Committee took evidence on the bill.

We know that the minister inherited the proposals when he was appointed and that he has argued that he needs to claw back £18 million to fix a hole in his budget. However, the hole in his budget was created by a decision by his own Government. It allocated 83 per cent of the cuts to the local government budget.

That is why we proposed at stage 2 and propose again today that the changes to non-domestic rates should not come into effect without proper financial assessment, as opposed to a set of estimates, produced in-house by civil servants, that bear no relation to reality. Even the minister is not prepared to hazard a guess about how many properties will be brought back into use as a result of the bill. Every time that he has presented us with a reworking of the figures, the credibility of the proposals has been further shot to pieces. The point of a business and regulatory impact assessment is that not only will the minister and his officials have to treat it seriously, but the figures would be open to assessment, criticism and consultation for stakeholders and the Parliament.

The concerns that committees, local authorities, business organisations and the Scottish Retail Consortium have raised need to be addressed. In relation to the public sector, the proposals will simply rob Peter to pay Paul. One arm of the public sector will pay money through extra non-domestic rates to the Scottish Government.

The absence of a BRIA is unacceptable. I was deeply disappointed that the minister failed to take the opportunity to remedy the matter at stage 2, but I hope that he will do so today and that amendment 5 will be supported.

Gavin Brown: I support amendment 5, in the name of Sarah Boyack.

Consultation is extremely important, and amendment 5 would prevent the Scottish Government from simply sidestepping difficult issues associated with non-domestic rates. It would ensure that the Scottish Government has to consult and that it must lay a report before the Parliament.

Sarah Boyack is right. There is a credibility issue with the Government in relation to non-domestic rates. We were told initially that only 12 public sector properties in Scotland would be hit, but it turns out to be several hundred. We were told initially that there would be minimal costs to the public sector, but they turn out to be at least £3.5 million, almost £1 million more than the final revised estimate that the Scottish Government came up with. There was no formal consultation

on non-domestic rates; that was specifically excluded for reasons that are simply inexplicable. The Government consulted on the council tax elements of the bill and on the housing support grant element, but it specifically excluded consultation on non-domestic rates.

15:15

The Government also failed to do business and regulatory impact assessments. The reasons given for that are equally weak. Scottish statutory instruments and legislation that has far less impact on business than is proposed by this bill regularly have impact assessments, but this bill, which will affect almost every public sector organisation, thousands of properties across the country and millions of pounds of revenue, does not get an impact assessment. That cannot be allowed to happen again, and that is why amendment 5 is most certainly required.

Patrick Harvie (Glasgow) (Green): I will respond briefly to Mr Pentland's remarks on the affirmative and negative procedures and the argument about not giving ministers powers to make decisions without coming back to the Parliament. I wonder whether Mr Pentland is aware of some of the legislation that was passed during the first two sessions of the Parliament. For example, under the planning legislation the then Scottish Executive took enormous powers that can be exercised by order without coming back to the Parliament for decisions. I wonder whether in his closing remarks on this group of amendments Mr Pentland might tell us when his conversion took place. Was it perhaps around May 2007 or am I wide of the mark?

Ken Macintosh (Eastwood) (Lab): It is extremely worrying and very revealing that the Scottish Government did not fully consult in advance of the bill on its measures and has steadfastly refused to listen to calls for a full business and regulatory impact assessment. That is despite forceful and convincing evidence that the bill will not have the effect to which it lays claim: it will not bring unoccupied business properties back into productive use.

When similar measures were introduced in England and Wales, the argument was made then that some businesses were sitting on empty properties, knowing that their price was rising in a thriving property market. That is certainly no longer the case, and has not been the case for the past four years, which is why the measure has not worked in England and Wales.

In towns such as Paisley, which the minister knows very well, up to a quarter of retail properties now lie empty because of lack of demand, but the Scottish Government is in effect now going to

punish business failure. We are also unsure of the impact that the measures will have on public revenue. One of the unintended consequences of the measures in England and Wales has been an increase in the number of charity shops. A very interesting briefing from the Scottish Property Federation points out that as the income from business rates relief has dropped in England, the amount given out in charity relief has risen. I am sure that that is not the picture that the minister and the Scottish Government wish to support in Scotland.

There is also an unintended or unknown impact on the public sector, because we know that the measures will cost local authorities a lot of money for their properties, and it will even cost Government agencies such as Scottish Enterprise money. I urge members to support amendments 3, 4 and 5.

Derek Mackay: Mr Pentland's amendments 3 and 4 seek to require the first regulations made to be subject to affirmative procedure. However, the Subordinate Legislation Committee had no concerns about the continued use of negative procedure for regulations. That should not come as a surprise, because the norm in that regard is the negative procedure, which was good enough for the previous Scottish Executive. Negative procedure is common for most rates matters, and amendments 3 and 4 would create a more onerous procedure than can be justified.

Mr Pentland will be aware that regulation changes will go to committee. In the case of empty property rates relief, the appropriate subject committee will be the Local Government and Regeneration Committee. Ministers are not removing parliamentary scrutiny but applying consistency.

Sarah Boyack's amendment 5 seeks consultation before the bill comes into force. I welcome her intention, but the Scottish Government has undertaken extensive stakeholder engagement and will continue to do so. The engagement has led to the refinement of our proposals—for example, the fresh start initiative—and informed the wider rates consultation that we are about to launch.

Gavin Brown: The minister seems to say, "We did consult in terms of the debate," but does he think that important sections of primary legislation should be excluded from formal consultations?

Derek Mackay: We will make regulations that mean that if we want to vary rates relief we will return to the Parliament. That is consistent with most other rates matters. I do not see what issue Mr Brown has with that approach. The engagement has involved those who do not support our direction of travel, and it has informed

the approach that we are taking, as well as future proposals, and will inform the consultation that I referred to earlier.

Although a BRIA was not conducted, there has been a level of engagement that goes beyond a traditional BRIA, as I understand it. That will feature more fully in the debate later on. I have said before that the impact of the policy will remain under review. As such, I can confirm today that the Scottish Government will undertake post-legislative scrutiny of the empty property rates reform. A similar process was undertaken by the United Kingdom Government in command paper 8411, "Memorandum—Post Legislative Scrutiny Rating (Empty Properties) Act 2007". The Scottish Government's scrutiny will take place in early-to-mid 2015, once sufficient time has elapsed to collate data on the impact. I will ensure that the convener of the Local Government and Regeneration Committee is kept informed.

To assist members, last week I provided an early draft of the regulations that I intend to lay under the new powers created by the bill if it is passed today. The bill is an enabling bill, but the Scottish Government has made its intentions on the use of the powers known. To consult further now, giving the impression that we may not proceed as proposed, would cause unnecessary short-term delay and uncertainty as we approach the new financial year. Generous reliefs will still be available. I want to get on with promoting those proposed reliefs, including industrial and listed building exemptions and the fresh start initiative. I hope that sight of the draft regulations, the consistency and the intention to undertake scrutiny provide enough reassurance to allow Ms Boyack and Mr Pentland to withdraw or not move their amendments and support the bill.

John Pentland: Neither the minister nor Mr Harvie have convinced me that I should withdraw amendment 3 or not move amendment 4. I will also support Sarah Boyack's amendment, which complements mine.

We need a proper assessment of the business and regulatory impact of the bill, not just a consultation before the bill, followed by the minister's ad hoc promise of further consultation before regulations are issued. Without parliamentary consideration of proposals for regulations based on a proper assessment of their impact there is a significant danger that this part of the bill will do more harm than good, which is a risk that we should not take.

The Deputy Presiding Officer: The question is, that amendment 3 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)

Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (North East Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 52, Against 64, Abstentions 0.

Amendment 3 disagreed to.

Amendment 4 moved—[John Pentland].

The Deputy Presiding Officer: The question is, that amendment 4 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)

FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (North East Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 51, Against 64, Abstentions 0.

Amendment 4 disagreed to.

Amendment 5 moved—[Sarah Boyack].

The Deputy Presiding Officer: The question is, that amendment 5 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)

Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
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 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
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 Biagi, Marco (Edinburgh Central) (SNP)
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 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Harvie, Patrick (Glasgow) (Green)
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 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
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 Sturgeon, Nicola (Glasgow Southside) (SNP)
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 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 52, Against 63, Abstentions 0.

Amendment 5 disagreed to.

Amendment 12 not moved.

The Deputy Presiding Officer: Group 4 concerns the introduction of a power to increase non-domestic rates for unoccupied properties. Amendment 1, in the name of Jim Hume, is grouped with amendment 13.

Jim Hume (South Scotland) (LD): As the amendments that we have previously discussed have not been agreed to by the Government, I remain concerned about the serious and—to give Mr Mackay the benefit of the doubt—perhaps unintended consequences of increasing property rates on empty commercial properties.

At stage 2, I lodged an amendment to leave out section 1. Unfortunately, due procedure at the committee did not allow me a vote on the amendment and, of course, the vote was lost by only one.

I have made clear my concerns. Increasing rates on empty properties when we need to encourage business at a time of recession is a burden too far. There is no evidence that the Government's bill will have any effect other than a negative one. It is in the interests of businesses to let out their properties. That is how they make

money and recoup the costs of electricity, security and so on.

It is not only me who has concerns. The Confederation of British Industry Scotland's director, Iain McMillan, said:

"This increase in taxation will make it more expensive for firms to create jobs ... this proposal remains a tax on distress."

David Melhuish, the director of the Scottish Property Federation, said that the proposal would be a "major blow to businesses" and

"a dangerous tax rise at exactly the wrong time in the economic cycle."

Garry Clark, of the Scottish Chambers of Commerce, said:

"This proposal ... runs contrary to common sense and to the Government's stated policy objective."

He continued, saying that we all want the issue of vacant premises to be addressed, but that

"this is not the way to go about it."

The director of the Scottish Retail Consortium, Fiona Moriarty, said:

"This is the wrong measure at the wrong time and will act as an additional barrier to investment, especially in our ailing town centres."

Jennifer Brooke, the executive director of the Business Centre Association said that, if the Government presses ahead with its plans,

"there will be a critical shortage of usable flexible space in Scotland within the next two to three years."

She also said that the proposal would stifle and suppress growth at a time when the economy is at its most fragile and will put jobs at risk.

Garrie Renucci, chairman of the British Council of Shopping Centres Scotland, said:

"We strongly urge the Scottish Government to reconsider this ill-conceived Bill, which was introduced with minimal consultation, without a Business Impact Regulatory Assessment."

I move amendment 1.

15:30

Gavin Brown: I concur with Mr Hume and dearly hope that amendment 1 is agreed to; in case it is not, I will speak to amendment 13, which could play an important role if the bill is passed.

Amendment 13 has two broad aims, the first of which is to provide a classic sunset clause, so that the damaging—or, at least, the most damaging—provisions are automatically extinguished after three years unless positive action is taken to retain them. The second aim is to ensure that there is vigilant and consistent monitoring of their impact on the economy following the passage of the bill.

I acknowledge Derek Mackay's earlier comments, which I hope I have noted down correctly, that the Government will undertake post-legislative scrutiny from mid-2015. However, I fear a near-term impact on the economy, particularly from demolitions and companies potentially going into administration. That appeared to be the case in other jurisdictions, such as when a similar proposal was introduced south of the border back in 2008. The often-quoted Lambert Smith Hampton report, which was conducted jointly with the Royal Institution of Chartered Surveyors, was produced in April 2009 or a mere 12 months after the implementation of the Rating (Empty Properties) Act 2007. That report found that economic harm had taken place at that point, particularly from demolitions but also from companies going into administration.

Amendment 13 seeks to ensure that a report is published within 12 months of the passage of the bill, as opposed to two years, as well as every 12 months thereafter. The sunset clause would extinguish the provisions within three years unless positive action is taken. That is why I commend amendment 13.

Sarah Boyack: We supported Jim Hume's amendment at stage 2 because there had been no proper consultation on and assessment of the Government's proposals. When the SNP Government came to power, it claimed that it would govern as if it were a minority Government, but I think that this bill truly demolishes that claim. There is no sign of the Government listening or being prepared to listen to what is being said, however critical, by people either within or outside the Parliament. Jim Hume's amendment 1 would enable the bill to go forward and allow local authorities to pick up on the provisions on getting empty houses back into use. The amendment would give the Government the time to do the right work and bring forward a credible set of proposals.

However, I suspect that the minister will not accept amendment 1 today, and that is why Gavin Brown's amendment 13 is welcome. I do not normally support sunset clauses, but given the huge uncertainty, the lack of credibility and the lack of financial justification that the Government has put forward, I think that it would be appropriate to require Parliament to come back and affirm whether it wants to continue with the provisions. It would also be entirely appropriate to put ministers through the discipline of justifying the proposals again.

Another reason why I support amendment 13 is its provisions on post-legislative scrutiny. The minister has offered, very kindly, to do his own post-legislative scrutiny. That is a useful contribution, but the problem is that, if that work is done to the same standard as was evident in the

preparation for the bill, it will not properly test the impact of the provisions. That is why the requirement for post-legislative scrutiny should be stated in the bill. We should have a proper assessment of what happens from the beginning of financial year 2013 and from the beginning of financial year 2014. We need scrutiny not by and for the Government, but scrutiny by the Parliament that is reported to us and done to the strictures set out—

The Deputy Presiding Officer (Elaine Smith): I must ask you to finish.

Sarah Boyack: The number of buildings that have been demolished and the actual amount of non-domestic rates that has been collected for unoccupied properties should be assessed. There should be a proper consultation and a proper report to the Parliament.

The Deputy Presiding Officer: Thank you. Members must try to be brief.

Margaret Mitchell: I support amendment 1, which is in Jim Hume's name. I had hoped that Jim Hume would not have to move or press the amendment and that the Scottish Government, even at this late stage, would have been prepared to alter the bill's provisions on empty commercial properties to ensure that only those properties that are deliberately left unoccupied would be subject to the cut in non-domestic rates relief. However, the Scottish Government has not been prepared to do that. Instead, it has confirmed that the measures provide no incentive to bring empty commercial properties back into use; rather, they represent a tax grab on businesses that cannot rent or sell their properties.

I therefore support amendment 1, in Jim Hume's name, which would remove section 1. When the SNP inevitably uses its parliamentary majority to vote down the amendment, I will support amendment 13, in Gavin Brown's name.

Ken Macintosh: I support amendment 13 and particularly Jim Hume's amendment 1. My colleague Sarah Boyack has accurately described the debate about section 1 as the politics of assertion over argument. Evidence to the Parliament on the section has not simply opposed the measures as a policy but convincingly and credibly argued that they will not work in practice. Few businesses or property owners are not desperate to find paying tenants to cover their overheads and costs. The minister is unconvincing in his evidence-light assertions to the contrary.

Perhaps even more worrying is the proposal's overall context. It is one month since the Cabinet Secretary for Finance, Employment and Sustainable Growth introduced what he called a budget for jobs and growth, but it is difficult to see how the new tax on businesses boosts the

economy. The Scottish Chambers of Commerce highlighted today that the business rates burden is expected to rise from £2.18 billion in 2011-12 to £2.66 billion in 2014-15, which is an increase of 22 per cent in just three years. That is not the action of a Government that is trying to support growth or jobs.

Section 1 will not return properties to productive use and will hurt the Scottish economy. We should listen to the evidence and reject the section entirely.

Patrick Harvie: I will put on the record a response to Sarah Boyack's comments. She argued that the Government has not listened to voices inside Parliament on the matter, but I am afraid that that is not true. Nearly two years ago, the Green Party proposed actions such as the bill proposes. I am pleased that the Government eventually listened to that and has legislated.

I commend Jim Hume for his powers of persuasion. I have no idea how on earth he managed to persuade so many representatives of business interests to say publicly that they would rather pay less tax. That is a revelation. However, I will not vote for his amendment 1.

Derek Mackay: Mr Hume and Mr Brown oppose the action that we are taking but offer no credible alternatives to address the problem of empty properties. By opposing the enabling powers, Mr Hume would even deny the Government the ability to deliver the fresh start initiative.

The Local Government and Regeneration Committee rejected an amendment from Jim Hume on 26 September. He complained that he did not have a vote, but that was because he is not a member of that committee.

The enabling powers to which I referred give us the flexibility to vary the percentage of unoccupied property relief that is given and the classes of property to which the percentage will apply. Surely Parliament wants ministers to be in a position to respond quickly to changing circumstances, while maintaining parliamentary scrutiny. The status quo would mean a Government bill every time that we sought to amend the relief that was to be awarded. That would be inconsistent with other reliefs.

Mr Brown and the Conservative Party oppose the variation of empty property rates relief. Their opposition is at least consistent—except where they are in power, of course. However, such opposition is no reason to try to create a bureaucratic and overregulated regime for the Government to take decisions, which must be proportionate to the sums that are involved. Mr Brown is renowned for his sense of proportionality, but he would have us create an unprecedented legal framework for an £18 million variation of a £2.4 billion rates budget.

Throughout the policy's development, I have emphasised that I will listen. If Mr Hume and Mr Brown had constructive alternatives, I would gladly have considered and responded to them, but the members have presented no alternatives. Others have been more constructive. That is why I proposed a new subsection at stage 2 to allow the creation of the fresh start initiative, which Mark McDonald originally suggested.

Mr Hume's amendment would scrap that new incentive despite the widespread support that it has received. The enabling powers that are created by the bill are only one of the multiple strands that we are taking forward to encourage economic regeneration. Other streams will follow in the community empowerment and renewal bill and the town centre review. They will identify key issues that affect the viability of Scottish towns and explore other measures to bring vacant commercial and residential town centre property back into use.

The Government retains the most competitive business rates system in the UK, with the small business bonus scheme now at record levels. New statistics that have just been published show that, through the scheme, the Government has removed or reduced taxation for more than 89,000 premises. That figure is up by almost 4,000 from last year.

I think that every member in the chamber agrees that the empty premises that blight many high streets are a problem. Neither Mr Hume's amendment nor Mr Brown's provides any constructive ideas to tackle that problem. I therefore urge members to reject them.

The Deputy Presiding Officer: I ask Jim Hume to wind up briefly, please, and to say whether he wishes to press or withdraw his amendment.

Jim Hume: Today, we are witnessing a bulldozing Government. Sarah Boyack is correct. If the SNP had listened to what people not just in the Parliament but outside it have said, I would not have to press my amendment. However, it did not do that, so I will press it.

The bill will discourage the provision of new commercial properties. We will possibly see properties being converted to residential use or even being taken down. That has been witnessed. I will give the minister a credible alternative. We need measures that focus on regenerating our town centres and creating jobs, not measures that will hammer our economy and jobs at a time when we can least afford it.

I press amendment 1.

The Deputy Presiding Officer: The question is, that amendment 1 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
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 Smith, Drew (Glasgow) (Lab)
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 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 53, Against 63, Abstentions 0.

Amendment 1 disagreed to.

After section 1

Amendment 13 moved—[Gavin Brown.]

The Deputy Presiding Officer: The question is, that amendment 13 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)

Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (North East Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 52, Against 64, Abstentions 0.

Amendment 13 disagreed to.

The Deputy Presiding Officer: Group 5 is on minimum state of repair below which non-domestic rates and council tax are not payable. Amendment 14, in the name of Margaret Mitchell, is grouped with amendment 18.

15:45

Margaret Mitchell: Amendments 14 and 18 seek to require Scottish ministers to prescribe by way of regulation a minimum state of repair for unoccupied lands or heritages to be included on the assessor's valuation roll and therefore fall within the terms of the bill.

The amendments, which deal respectively with non-domestic and residential properties, are intended to remedy the concern raised by Scottish Land & Estates in evidence to the Local Government and Regeneration Committee about long-term properties that are classified as dwellings but are not suitable for habitation or use as modern homes. Scottish Land & Estates called on assessors

“to be ... more realistic about removing properties from the ... register.”—[*Official Report, Local Government and Regeneration Committee*, 16 May 2012; c 983.]

Having listened carefully to the minister's response to similar amendments at stage 2, I have altered these amendments to take into account his three main objections. First, the minister suggested:

“To issue guidance to”

assessors

“would be to undermine their autonomy in determining whether a property should be included in the valuation roll.”

However, assessors already interpret Scottish Government regulations that lay out assumptions they should follow when valuing properties without their autonomy being undermined. If assessors are not interpreting those regulations sufficiently, it is entirely appropriate for ministers to give direction on how they should be interpreted.

Secondly, the minister objected to the amendment on the basis that it risked

“confusing, rather than clarifying, assessors' work”

and that it was

“not clear what place guidance would have”

given that the amendment did not propose to make assessors legally required to have regard to it. The point was well made and I have taken the minister's constructive criticism on board. Consequently, amendment 14 now provides for binding regulations to be made.

Finally, the minister said that the amendment was tantamount to

“a manual on how to vandalise one's property in order to avoid paying tax.”—[*Official Report, Local Government and Regeneration Committee*, 26 September 2012; c 1200.]

I do not believe that that is a serious argument against bringing much needed clarity to the law in this area.

I move amendment 14.

The Minister for Housing and Welfare (Margaret Burgess): The Scottish Government does not support amendments 14 and 18. As Mr Mackay indicated in the discussion on a similar stage 2 amendment—and as Mrs Mitchell has made clear just now—practice and case law already play their part in determining whether a

property should be included in the valuation roll. Although Mrs Mitchell now proposes that that be done through regulations rather than guidance, as was proposed at stage 2, these amendments still risk confusing rather than clarifying assessors' work. In any case, regulations cannot contradict the definitions in the relevant primary legislation about the properties that should be included in either the valuation roll for non-domestic rates or the council tax register. If they did, they would be ultra vires; as a result, they would need to be restricted in the detail they provided.

The Scottish Government considers that the existing definitions in the primary legislation remain appropriate. We want neither to reward those who have allowed their properties to fall into disrepair by potentially allowing them to be exempt from local taxation nor to encourage others to let their properties to get into a poor state of repair or even to vandalise them just to avoid paying council tax or non-domestic rates.

As these amendments do nothing to tackle empty properties and could, in fact, create a perverse incentive that would contradict the bill's very intentions, I encourage Mrs Mitchell to withdraw amendment 14 and not to move amendment 18.

Margaret Mitchell: Despite all my efforts to meet the concerns of the Minister for Local Government and Planning and now the concerns of the new Minister for Housing and Welfare, I regret to say that the Scottish Government is determined to remain intransigent on this matter. Another opportunity has been lost to ensure that the bill has some provisions relating to empty and unoccupied properties that might give it some validity.

I will press amendment 14.

The Deputy Presiding Officer: The question is, that amendment 14 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McGrigor, Jamie (Highlands and Islands) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hume, Jim (South Scotland) (LD)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDonald, Mark (North East Scotland) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)

McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 14, Against 99, Abstentions 0.

Amendment 14 disagreed to.

Section 2—Council tax: variation for unoccupied dwellings

Amendment 15 moved—[Margaret Mitchell].

The Deputy Presiding Officer: The question is, that amendment 15 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McGrigor, Jamie (Highlands and Islands) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)

Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hume, Jim (South Scotland) (LD)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDonald, Mark (North East Scotland) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)

McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 14, Against 101, Abstentions 0.

Amendment 15 disagreed to.

The Deputy Presiding Officer: In group 6, amendment 6, in the name of Anne McTaggart, is grouped with amendment 7.

Anne McTaggart: I believe that the proposed 90 per cent rate for unoccupied properties should be reduced to 50 per cent for public bodies such as local authorities and health boards. The restriction on the level of increase is necessary to protect taxpayers and the quality of services provided by the public sector. I am sure that the Scottish Government is well aware that all public bodies are struggling to meet the increasing demands of those whom they work to support at a time of shrinking budgets and scarce resources. Asking public bodies to fund such a substantial jump in rates is clearly detrimental to our public services and it obstructs the long-term planning for currently unoccupied estates.

Simply because buildings are not in current use does not mean that they will always be unoccupied, nor that they should be sold to private developers or demolished to avoid a serious increase in rates payable.

The Deputy Presiding Officer: Could you check that you are speaking to the amendments on the restriction on the level of increase in council tax that is permitted for unoccupied properties, which are amendments 6 and 7?

Anne McTaggart: Yes.

Amendment 7 objects to the doubling in the council tax that is payable on unoccupied residential property. Many families find themselves

in such a situation as a result of unforeseen inheritances or because they cannot sell their home in an increasingly difficult property market. To ask people in that situation to pay twice the amount of council tax that they may have expected to pay is not only irresponsible but plainly wrong. The Scottish Government will potentially force Scottish families into negative equity as a result of these measures and the subsequent pressure to sell property to avoid the increased council tax charges.

I move amendment 6.

Margaret Burgess: The Scottish Government does not support amendments 6 and 7, which relate to the level of council tax being charged on empty properties. As Mr Mackay indicated during stage 2, we intend to give councils the flexibility that they need to set the council tax increase at a high enough level to encourage owners to bring their empty homes back into use as a house for people who need it. In some cases, that may mean an increase of 50 per cent or less, but in others the council may feel that a higher increase of up to 100 per cent is appropriate in its area to provide sufficient incentive to owners.

The Local Government and Regeneration Committee broadly welcomed the proposal in its stage 1 report. Our proposal has always been to give councils discretion to impose a maximum increase of 100 per cent of the standard rate of council tax. We received strong support for a 100 per cent increase in the consultation on our proposals and Shelter yesterday confirmed its support for the proposal in a news release. I therefore urge the Parliament to reject amendments 6 and 7.

The Deputy Presiding Officer: I ask Anne McTaggart to wind up and indicate whether she intends to press or withdraw amendment 6.

Anne McTaggart: I refer to my previous speech on the proposals and conclude that, as it stands, the bill penalises families in difficult situations and weakens the ability of many public bodies to make their own decisions about financial planning and property reallocation. I therefore press amendment 6.

The Deputy Presiding Officer: The question is, that amendment 6 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
Baker, Claire (Mid Scotland and Fife) (Lab)
Baker, Richard (North East Scotland) (Lab)
Beamish, Claudia (South Scotland) (Lab)
Bibby, Neil (West Scotland) (Lab)

Boyack, Sarah (Lothian) (Lab)
Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
Dugdale, Kezia (Lothian) (Lab)
Eadie, Helen (Cowdenbeath) (Lab)
Fee, Mary (West Scotland) (Lab)
Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
Findlay, Neil (Lothian) (Lab)
Grant, Rhoda (Highlands and Islands) (Lab)
Gray, Iain (East Lothian) (Lab)
Griffin, Mark (Central Scotland) (Lab)
Henry, Hugh (Renfrewshire South) (Lab)
Kelly, James (Rutherglen) (Lab)
Lamont, Johann (Glasgow Pollok) (Lab)
Macintosh, Ken (Eastwood) (Lab)
Malik, Hanzala (Glasgow) (Lab)
Martin, Paul (Glasgow Provan) (Lab)
McCulloch, Margaret (Central Scotland) (Lab)
McDougall, Margaret (West Scotland) (Lab)
McMahon, Michael (Uddingston and Bellshill) (Lab)
McMahon, Siobhan (Central Scotland) (Lab)
McNeil, Duncan (Greenock and Inverclyde) (Lab)
McTaggart, Anne (Glasgow) (Lab)
Milne, Nanette (North East Scotland) (Con)
Murray, Elaine (Dumfriesshire) (Lab)
Park, John (Mid Scotland and Fife) (Lab)
Pentland, John (Motherwell and Wishaw) (Lab)
Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
Smith, Drew (Glasgow) (Lab)
Stewart, David (Highlands and Islands) (Lab)

Against

Adam, Brian (Aberdeen Donside) (SNP)
Adam, George (Paisley) (SNP)
Adamson, Clare (Central Scotland) (SNP)
Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
Beattie, Colin (Midlothian North and Musselburgh) (SNP)
Biagi, Marco (Edinburgh Central) (SNP)
Brodie, Chic (South Scotland) (SNP)
Brown, Keith (Clackmannanshire and Dunblane) (SNP)
Burgess, Margaret (Cunninghame South) (SNP)
Campbell, Aileen (Clydesdale) (SNP)
Campbell, Roderick (North East Fife) (SNP)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Constance, Angela (Almond Valley) (SNP)
Crawford, Bruce (Stirling) (SNP)
Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
Dey, Graeme (Angus South) (SNP)
Don, Nigel (Angus North and Mearns) (SNP)
Doris, Bob (Glasgow) (SNP)
Dornan, James (Glasgow Cathcart) (SNP)
Eadie, Jim (Edinburgh Southern) (SNP)
Ewing, Annabelle (Mid Scotland and Fife) (SNP)
Ewing, Fergus (Inverness and Nairn) (SNP)
Fabiani, Linda (East Kilbride) (SNP)
Finnie, John (Highlands and Islands) (Ind)
FitzPatrick, Joe (Dundee City West) (SNP)
Gibson, Kenneth (Cunninghame North) (SNP)
Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
Harvie, Patrick (Glasgow) (Green)
Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
Hume, Jim (South Scotland) (LD)
Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
Johnstone, Alison (Lothian) (Green)
Keir, Colin (Edinburgh Western) (SNP)
Kidd, Bill (Glasgow Anniesland) (SNP)
Lochhead, Richard (Moray) (SNP)
Lyle, Richard (Central Scotland) (SNP)
MacAskill, Kenny (Edinburgh Eastern) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
MacDonald, Gordon (Edinburgh Pentlands) (SNP)
Mackay, Derek (Renfrewshire North and West) (SNP)

MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (North East Scotland) (SNP)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Abstentions

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McGrigor, Jamie (Highlands and Islands) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Deputy Presiding Officer: The result of the division is: For 34, Against 69, Abstentions 12.

Amendment 6 disagreed to.

The Deputy Presiding Officer: Group 7 is on the treatment of unoccupied social housing for council tax purposes. Amendment 16, in the name of Margaret Mitchell, is grouped with amendment 19.

Margaret Mitchell: Amendments 16 and 19 are based on the assumption that council tax is payable in respect of empty social housing as well as domestic dwellings in private ownership. The amendments therefore ensure that the provisions made for the increases or discounts cannot result in social housing being treated more favourably than other properties merely because it is in public ownership.

If ministers or local authorities increase the council tax applicable to empty privately owned housing to encourage it back into use, the same

rationale and provisions should apply to empty publicly owned housing.

Amendments 16 and 19 ensure that the principles of fair and equal treatment are upheld and that local authorities cannot give themselves preferential treatment and allow vacant and void stock to further deteriorate.

16:00

At stage 2, the Minister for Local Government and Planning said:

“it is not currently the Scottish Government’s intention to exempt social landlords”—[*Official Report, Local Government and Regeneration Committee, 26 September 2012; c 1204.*]

from the bill’s provision. Amendments 16 and 19 would make that clear and give a firm statutory footing to that stated intention.

Finally, confusion remains over how the application of these provisions will work in practice, as it appears that local authorities will merely be moving figures from one column to another. I would therefore welcome an explanation of how the mechanics of that will work in terms of a local authority collecting the increase in council tax from properties that it owns and deems to be wilfully unoccupied.

I move amendment 16.

Margaret Burgess: The Scottish Government is willing to support amendment 16, although we do not support amendment 19. As was said at stage 2, we agree with Margaret Mitchell that social landlords should not generally be exempt from paying council tax or a council tax increase. It was never our intention to give more favourable treatment to social landlords than to private home owners. Both councils and housing associations should seek to minimise void periods in order to help to reduce waiting lists. We are willing to accept amendment 16, as it would prevent councils and social landlords from using the broad discretion given to them by the regulations to treat social rented housing more favourably.

However, as is clear from our recent consultation on the draft council tax regulations, there are no plans to exempt social landlords from council tax, so we believe that amendment 19 is unnecessary. We also believe that there could be difficulties in specifying a reasonable period of time for properties to be left empty before they are demolished.

Neil Findlay (Lothian) (Lab): I am not sure whether I am hearing this correctly. Are we going to encourage social landlords to get their properties quickly back into circulation by punishing them even further? Is that what the

minister is saying? It is not a very good start for the minister.

Margaret Burgess: I am saying that we are making no exemption for social landlords. We are treating social landlords and private residential property owners in the same way. The discretion will still apply, but we are not differentiating between them. That was also said at stage 2.

I will finish by saying that the issue can vary from case to case, particularly for large tower blocks, given the need to place existing tenants in a new block of homes. Sometimes, for example, there is a need for the compulsory purchase of homes that owners occupy in the same block. Therefore, we cannot accept amendment 19.

Margaret Mitchell: I welcome the minister's support for amendment 16. The amendment could result in a maximum increase in council tax due to double the amount that is being charged in empty properties. However, the minister is rejecting amendment 19, so I fear that the absolute reassurance that I sought has not been given to private owners of empty properties that they will be treated equitably with landlords of social and publicly owned housing.

The Deputy Presiding Officer: The question is, that amendment 16 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Gavin (Lothian) (Con)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Carlaw, Jackson (West Scotland) (Con)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinrossshire) (SNP)
 Davidson, Ruth (Glasgow) (Con)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)

Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Goldie, Annabel (West Scotland) (Con)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hume, Jim (South Scotland) (LD)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alex (North East Scotland) (Con)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (North East Scotland) (SNP)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)

Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Stewart, David (Highlands and Islands) (Lab)

The Deputy Presiding Officer: The result of the division is: For 82, Against 33, Abstentions 16.

Amendment 16 agreed to.

Amendment 7 moved—[Anne McTaggart].

The Deputy Presiding Officer: The question is, that amendment 7 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)

Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hume, Jim (South Scotland) (LD)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (North East Scotland) (SNP)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Abstentions

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)

Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McGrigor, Jamie (Highlands and Islands) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Deputy Presiding Officer: The result of the division is: For 33, Against 69, Abstentions 14.

Amendment 7 disagreed to.

Amendment 17 moved—[Margaret Mitchell].

The Deputy Presiding Officer: The question is, that amendment 17 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McGrigor, Jamie (Highlands and Islands) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinrossshire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)

Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hume, Jim (South Scotland) (LD)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDonald, Mark (North East Scotland) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine)

(SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 15, Against 101, Abstentions 0.

Amendment 17 disagreed to.

Section 3—Amendment of the Local Government Finance Act 1992

Amendment 18 moved—[Margaret Mitchell].

The Deputy Presiding Officer: The question is, that amendment 18 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McGrigor, Jamie (Highlands and Islands) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)

Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hume, Jim (South Scotland) (LD)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDonald, Mark (North East Scotland) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)

Wilson, John (Central Scotland) (SNP)
Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 14, Against 102, Abstentions 0.

Amendment 18 disagreed to.

Amendment 19 moved—[Margaret Mitchell].

The Deputy Presiding Officer: The question is, that amendment 19 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
Carlaw, Jackson (West Scotland) (Con)
Davidson, Ruth (Glasgow) (Con)
Fergusson, Alex (Galloway and West Dumfries) (Con)
Fraser, Murdo (Mid Scotland and Fife) (Con)
Goldie, Annabel (West Scotland) (Con)
Johnstone, Alex (North East Scotland) (Con)
Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
McGrigor, Jamie (Highlands and Islands) (Con)
Milne, Nanette (North East Scotland) (Con)
Mitchell, Margaret (Central Scotland) (Con)
Scanlon, Mary (Highlands and Islands) (Con)
Scott, John (Ayr) (Con)
Smith, Liz (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen Donside) (SNP)
Adam, George (Paisley) (SNP)
Adamson, Clare (Central Scotland) (SNP)
Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
Baillie, Jackie (Dumbarton) (Lab)
Baker, Claire (Mid Scotland and Fife) (Lab)
Baker, Richard (North East Scotland) (Lab)
Beamish, Claudia (South Scotland) (Lab)
Beattie, Colin (Midlothian North and Musselburgh) (SNP)
Biagi, Marco (Edinburgh Central) (SNP)
Bibby, Neil (West Scotland) (Lab)
Boyack, Sarah (Lothian) (Lab)
Brodie, Chic (South Scotland) (SNP)
Brown, Keith (Clackmannanshire and Dunblane) (SNP)
Burgess, Margaret (Cunninghame South) (SNP)
Campbell, Aileen (Clydesdale) (SNP)
Campbell, Roderick (North East Fife) (SNP)
Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Constance, Angela (Almond Valley) (SNP)
Crawford, Bruce (Stirling) (SNP)
Cunningham, Roseanna (Perthshire South and Kinrossshire) (SNP)
Dey, Graeme (Angus South) (SNP)
Don, Nigel (Angus North and Mearns) (SNP)
Doris, Bob (Glasgow) (SNP)
Dornan, James (Glasgow Cathcart) (SNP)
Dugdale, Kezia (Lothian) (Lab)
Eadie, Helen (Cowdenbeath) (Lab)
Eadie, Jim (Edinburgh Southern) (SNP)
Ewing, Annabelle (Mid Scotland and Fife) (SNP)
Ewing, Fergus (Inverness and Nairn) (SNP)
Fabiani, Linda (East Kilbride) (SNP)
Fee, Mary (West Scotland) (Lab)
Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
Findlay, Neil (Lothian) (Lab)
Finnie, John (Highlands and Islands) (Ind)
FitzPatrick, Joe (Dundee City West) (SNP)

Gibson, Kenneth (Cunninghame North) (SNP)
Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
Grant, Rhoda (Highlands and Islands) (Lab)
Gray, Iain (East Lothian) (Lab)
Griffin, Mark (Central Scotland) (Lab)
Harvie, Patrick (Glasgow) (Green)
Henry, Hugh (Renfrewshire South) (Lab)
Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
Hume, Jim (South Scotland) (LD)
Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
Johnstone, Alison (Lothian) (Green)
Keir, Colin (Edinburgh Western) (SNP)
Kelly, James (Rutherglen) (Lab)
Kidd, Bill (Glasgow Anniesland) (SNP)
Lamont, Johann (Glasgow Pollok) (Lab)
Lochhead, Richard (Moray) (SNP)
Lyle, Richard (Central Scotland) (SNP)
MacAskill, Kenny (Edinburgh Eastern) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Macintosh, Ken (Eastwood) (Lab)
Mackay, Derek (Renfrewshire North and West) (SNP)
MacKenzie, Mike (Highlands and Islands) (SNP)
Malik, Hanzala (Glasgow) (Lab)
Martin, Paul (Glasgow Provan) (Lab)
Mason, John (Glasgow Shettleston) (SNP)
Matheson, Michael (Falkirk West) (SNP)
Maxwell, Stewart (West Scotland) (SNP)
McAlpine, Joan (South Scotland) (SNP)
McArthur, Liam (Orkney Islands) (LD)
McCulloch, Margaret (Central Scotland) (Lab)
McDonald, Mark (North East Scotland) (SNP)
McDougall, Margaret (West Scotland) (Lab)
McInnes, Alison (North East Scotland) (LD)
McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
McLeod, Aileen (South Scotland) (SNP)
McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
McMahon, Michael (Uddingston and Bellshill) (Lab)
McMahon, Siobhan (Central Scotland) (Lab)
McMillan, Stuart (West Scotland) (SNP)
McNeil, Duncan (Greenock and Inverclyde) (Lab)
McTaggart, Anne (Glasgow) (Lab)
Murray, Elaine (Dumfriesshire) (Lab)
Neil, Alex (Airdrie and Shotts) (SNP)
Park, John (Mid Scotland and Fife) (Lab)
Paterson, Gil (Clydebank and Milngavie) (SNP)
Rennie, Willie (Mid Scotland and Fife) (LD)
Robertson, Dennis (Aberdeenshire West) (SNP)
Robison, Shona (Dundee City East) (SNP)
Salmond, Alex (Aberdeenshire East) (SNP)
Scott, Tavish (Shetland Islands) (LD)
Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
Smith, Drew (Glasgow) (Lab)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Stewart, David (Highlands and Islands) (Lab)
Stewart, Kevin (Aberdeen Central) (SNP)
Sturgeon, Nicola (Glasgow Southside) (SNP)
Swinney, John (Perthshire North) (SNP)
Urquhart, Jean (Highlands and Islands) (Ind)
Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
Wheelhouse, Paul (South Scotland) (SNP)
White, Sandra (Glasgow Kelvin) (SNP)
Wilson, John (Central Scotland) (SNP)
Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 14, Against 100, Abstentions 0.

Amendment 19 disagreed to.

After section 4

The Deputy Presiding Officer: Group 8 is on the abolition of housing support grant: provision of transitional assistance. Amendment 2, in the name of Tavish Scott, is the only amendment in the group.

Tavish Scott (Shetland Islands) (LD): The Government has accepted only one of 18 amendments; let me give it the opportunity to turn that record into two.

Amendment 2 seeks to extend a transitional agreement between the Scottish Government and the Shetland Islands Council—the only local authority in Scotland that receives housing support grant—before the grant is abolished, which is what the bill intends.

I accept—the minister will no doubt remind me of this—that a similar amendment was not supported at the Local Government and Regeneration Committee. However, to a large extent, the committee's decision was based on a ministerial assurance to the committee that negotiations with the council about the housing debt incurred in the 1970s would continue.

Every Scottish Government up until 2007 retained a budget to write off that debt—Shetland Islands Council's past and present finance directors have confirmed that to me. At committee, I asked the minister to work on a transitional scheme to help the 1,800 tenants who otherwise face a rent increase of £8 a week. I did not ask the minister—nor should I—to specify what that transitional agreement would be. I did not, and nor does amendment 2, lay down the conditions of that agreement. Those issues are very much for the Government to negotiate with the council.

Sadly, I must report to members that no such effective negotiations on a transitional scheme have taken place. The Government appears to have decided that it is a matter for the council to resolve without any assistance whatsoever.

Mark McDonald (North East Scotland) (SNP): Will the member take an intervention?

Tavish Scott: No—I want to make my argument.

Today, I ask the minister to reflect on the impact that the rent increase will have on housing tenants and the problems that will be incurred if there is no support for the amendment and if the bill is passed in its current form. Housing support grant paid to Shetland Islands Council—I stress that it is the only local authority in Scotland to receive the grant—is £800,000. That money is transferred from the Treasury to the council; the Scottish Government is merely the middleman, as it has been for a long time.

The convener of Shetland Islands Council has written the most polite and reasoned letter—if I

may say so—to Highlands and Islands list MSPs of all political parties in support of the amendment. The council always welcomes discussion of housing support grant and other matters with members of the Scottish Parliament who represent the area. Today, Shetland will wonder what those members will do on a measure that directly affects the lives and livelihoods of 1,800 SIC tenants.

I particularly commend the amendment to Highlands and Islands members and to our two new independent members, who are now free from the nationalist shackle. Let us hope that they will be brave today.

I move amendment 2.

Sarah Boyack: I ask the minister to say what progress has been made with negotiations. Reassurances were given at the committee. We understand that a change is being proposed, but what is key is how that affects the ordinary tenants mentioned by Tavish Scott—tenants on whom there could be an impact, through no fault of their own. Our concern is to ensure that the Scottish Government addresses the issue.

Margaret Burgess: At stage 2, the Minister for Local Government and Planning said that negotiations with Shetland Islands Council would take place; those negotiations have been ongoing.

We cannot accept amendment 2, in the name of Tavish Scott, because it would effectively hold the Scottish Government to ransom on the abolition of housing support grant. However, I confirm that we have talked to the leader of Shetland Islands Council and, before we came to the chamber, an offer was made to, and accepted by, the council leader. We will write to the council shortly with confirmation of the payment details. Given those developments, I hope that Tavish Scott will withdraw the amendment.

16:15

Tavish Scott: You never know the power of an amendment when it comes in front of a Parliament.

I commend and thank the minister for making that phone call; perhaps it was Mr Mackay who made it. Ministers will forgive me if I wait to hear the details of what the Government's offer will mean for tenants, but—believe me—if the leader of Shetland Islands Council has accepted it, that is good enough for me. I seek to withdraw my amendment.

Amendment 2, by agreement, withdrawn.

Local Government Finance (Unoccupied Properties etc) (Scotland) Bill

The Deputy Presiding Officer (Elaine Smith):

The next item of business is a debate on motion S4M-04598, in the name of Derek Mackay, on the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill. Before I invite the Minister for Housing and Welfare to open the debate, I call the Cabinet Secretary for Finance, Employment and Sustainable Growth to signify Crown consent to the bill.

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): For the purposes of rule 9.11 of the standing orders, I advise the Parliament that Her Majesty, having been informed of the purport of the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill, has consented to place her prerogative and interests, so far as they are affected by the bill, at the disposal of the Parliament for the purposes of the bill.

The Deputy Presiding Officer: Thank you very much, cabinet secretary.

We now begin the debate. I call Margaret Burgess to speak to and move the motion in the name of Derek Mackay.

16:17

The Minister for Housing and Welfare (Margaret Burgess): I am pleased to open the stage 3 debate on the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill. I thank the Local Government and Regeneration Committee, in particular, for its scrutiny of the bill throughout its parliamentary stages, and I thank all those organisations and individuals who provided oral and written evidence to the Parliament.

The bill is a key part of our wider work to reduce the number of empty properties, whether homes or non-residential properties, so that we can make best use of existing buildings and minimise the number of properties that fall into disrepair and become a blight on our communities. Long-term empty homes frequently fall into disrepair and can attract vandalism and other forms of crime. They reduce the value of surrounding properties and can affect the perception of a neighbourhood as a good place to live, which, in turn, reduces residents' quality of life.

At the same time, we are determined to reduce the number of homes that sit empty in the long term—of which we have more than 25,000—while around 140,000 families are on waiting lists for a social rented home. Bringing many of those homes back into use will help, directly or indirectly,

to free up more homes for those who really need them.

Giving councils the flexibility to increase council tax charges for certain long-term empty properties will help, encourage or, where needed, push owners not to leave their property lying empty. Councils will also be given the flexibility to target any additional revenue at delivering key local priorities, which will provide a useful additional tool, alongside the other measures that councils can already use. For example, the Scottish Government has been funding the empty homes partnership to provide support to councils in tackling empty homes. In addition, we are part-funding three empty homes officers, who are shared across seven councils, on a pilot basis. Those officers are having considerable success in developing a blueprint for successful empty homes engagement work that could be replicated across Scotland, and we should all support the fact that their interventions have already seen a number of empty homes brought back into use.

We recognise that some owners need financial assistance to bring their homes up to a standard that makes them suitable for letting. That is why we have made £4 million available through the empty homes loan fund.

The fund will make at least 160 empty homes available for affordable housing—more, I hope. I am pleased to say that we have had a good response to our call for bids for the fund. Many of those homes could be made available for intermediate rent, which, in turn, would help to grow a more vibrant private rented sector, providing tenants with a greater choice of good-quality homes.

We have listened to stakeholders—Parliament and others—throughout the development of our proposals for the council tax increase and we have amended our proposals as the policy has been developed through active engagement. Examples of changes include limiting exceptions to the increase to only those who are actively trying to bring their homes back into use—whether they intend to sell or rent them—and bringing forward stage 2 amendments to increase the maximum level of penalty charge. A council can charge an owner if they fail to provide information about whether their home is unoccupied. That charge has been increased from £200 to £500. There is also now a limit in the bill itself, restricting the maximum amount of council tax increase to 100 per cent of the applicable standard rate, rather than placing that restriction in regulations.

We have also recently consulted on our proposals for draft council tax regulations and I thank everyone who gave their views. Responses are currently being analysed and we are considering some changes in the light of the

comments that have been made. I recognise some of the administrative challenges that implementing a council tax increase is likely to bring and I am keen to make sure that the new regulations can be enforced to help tackle owners who deliberately leave their property empty. At the same time, I want to leave enough flexibility to avoid penalising those who are genuinely trying to bring their property into use, for example by renting or selling it. I hope to be able to lay a set of revised regulations in December.

The bill will enable us to bring forward regulations to reduce the level of empty property relief for empty commercial properties once they have been empty for more than three months.

Hanzala Malik (Glasgow) (Lab): Will the minister consider, under secondary legislation, changing that period of time—for small businesses only—from three months to six months? It is a short period and my desire is really to try to support small businesses because often when small businesses change hands it can take up to three or four months simply to change the suitability of the premises. Small business owners would welcome that relief.

Margaret Burgess: Many of those businesses would be exempt from business rates in any case, but the Minister for Local Government and Planning has said that he will review the regulations, and that issue may form part of his review. As the Minister for Local Government and Planning—I keep mentioning him—has said, he is continuing to talk to stakeholders about the provisions as the regulations are taken forward.

Regulations made under the bill will allow reductions to be made to the discount that empty properties receive after the first three months to 10 per cent from April 2013. However, unlike in England, industrial and listed properties will continue to receive 100 per cent relief for as long as they are empty. As a result of a stage 2 amendment lodged by Derek Mackay, we also intend to provide a new relief for properties that have been empty for a year or more and which are subsequently brought back into use. Together, those changes will create new incentives to reduce the prevalence of empty properties that blights our high streets.

I am grateful to the Local Government and Regeneration Committee for its strong support for the abolition of the housing support grant. The grant has become an anomaly since the introduction of the prudential borrowing regime, as the regime requires councils to ensure that they borrow funds only if they are confident that they can pay them back without seriously compromising service levels.

Ending the housing support grant will allow us to make better use of our funding for housing by focusing only on key priorities, including funding new homes for people who need them rather than helping to pay interest on councils' historic debts. We recognise, however, that Shetland Islands Council has continuing high levels of housing debt and that the council has been working hard to reduce that debt. As I said earlier in response to Tavish Scott's amendment 2, I can confirm that the Scottish Government has made Shetland Islands Council an offer of transitional funding that will assist the council in tackling its housing debt. I am pleased to say that that offer has been accepted by the leader of the council.

If members vote to pass the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill, they will be voting for a key tool to assist and complement our wider efforts to reduce the number of empty properties, whether they are homes or shops or other commercial premises.

I move,

That the Parliament agrees that the Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill be passed.

16:25

Sarah Boyack (Lothian) (Lab): I thank those who gave evidence to the committees that dealt with the bill, the organisations that lobbied us, and the committee clerks.

From the outset, Labour has been clear that we share the objective of bringing empty properties—whether they are commercial or residential—back into productive use. It is in no one's interests that properties lie empty, bring down an area and are vulnerable to vandalism, and that the best use is not made of them. We also understand the financial pressure that the Scottish Government faces, and particularly the minister's challenge of trying to deal with the reality of the finance secretary's decisions on his budget. We have been prepared to listen to the arguments, to consider the representations that have been made, and to judge whether the bill can be made fit for purpose.

In relation to the handling of the bill, there is a huge contrast between the provisions on non-domestic rates and those on empty housing. I will take them in turn.

On non-domestic rates, we know of the experience of similar measures in England. Since those measures were introduced, we have had a recession and a banking crisis, and it is clear that they have not delivered on ministers' aspirations; indeed, they have actually made things worse. On the basis of the evidence that has been presented,

we do not believe that the proposals in the bill will do what the minister believes they will do.

Throughout the process, there has been a lack of rigour in calculating the bill's potential impact, particularly in relation to non-domestic rates. The financial projections that were initially submitted to the Finance Committee were woefully unconvincing and fell apart under scrutiny. The revised projections to the Local Government and Regeneration Committee were more back-of-the-envelope stuff. Every time we get another projection, we know that there will be a big hole in it and that the key issues will not have been properly looked at.

We have not had a proper business and regulatory impact assessment, which would have let the Parliament test the evidence in the light of comments on the projections by interested parties. That is a fundamental weakness, because the financial projections are simply untested assertions. Moreover, the experience in England does not show only the impact on business; it shows that the amount of money that the minister has claimed will be raised will not actually materialise.

The business community simply does not believe that the proposals will help; rather, it believes that they will make matters worse at a terrible time for Scottish business. The main reason why business and commercial properties are unoccupied is that there is a lack of demand, and the proposals do not address that basic problem, even with the minor changes that the minister has made.

Compared with the overall budget, the projected amount that the Scottish Government claims the measure will raise is relatively small. However, in the current economic climate, given the lack of demand and the difficulty of securing finance for development, the proposals have the ability to have a disproportionate effect on business and the public sector. A proper assessment should have been carried out.

We made those points during the Tory debate on the proposals for empty property non-domestic rates, during stages 1 and 2 and again today, and I am deeply disappointed that the minister has not been prepared to acknowledge the weight of criticism or the weight of the evidence that has been put to him.

The regulations that will follow will be submitted on a take-it-or-leave-it basis. There will be no opportunity to amend them, and Scottish National Party ministers will use their majority to push them through, regardless of their impact. We all know that.

The truth is that our local councils are struggling. They took 83 per cent of the Scottish

Government's budget cuts last year, they are facing an underfunded council tax freeze, and we all know that thousands of jobs are disappearing in them.

The Minister for Local Government and Planning (Derek Mackay): The figures are not true, of course—but even the figure that the Labour Party has conjured up excludes £2.3 billion of non-domestic rates from the local government settlement. The member cited evidence of the experience in England. Let us put assertion and opinion to one side. What evidence is she referring to?

Sarah Boyack: The evidence that was presented to the committee and MSPs. There are not only demolitions in the industrial sector; there are demolitions in the commercial sector.

Derek Mackay: Will the member take an intervention?

Sarah Boyack: No. I have answered the minister's question. He asked about the evidence, and I have told him what it is.

We have been told—by town centre managers, I think—that the amount of speculative development has fallen off the face of a cliff. Therefore, there have been problems.

John Mason (Glasgow Shettleston) (SNP): Will the member take an intervention?

Sarah Boyack: No. I want to get on and address the minister's other point about estimates.

Glasgow City Council estimates that, on its own, it will take more than £1 million of the hit from the increase in non-domestic rates. I wonder whether the minister disagrees with that estimate.

Derek Mackay: Sorry. Can the member say that again?

Sarah Boyack: I will repeat it for the minister's benefit. The information that was submitted to me by Glasgow City Council is that it alone will have to pay more than £1 million as part of the non-domestic rates increase.

Derek Mackay: I am happy that the member will take my intervention. Perhaps she would like to have another go at citing exactly which evidence she was talking about when she said that there was substantial evidence.

If Glasgow City Council is right, that suggests that more than half of all empty properties are in that city, which should be a call to action to do something about it. I suspect that the Scottish Government figures are absolutely correct.

Sarah Boyack: I gave the minister the source: I said that it related to town centre managers. I am

sure that that was the reference that we got. I will certainly check the evidence after today.

The minister has not disputed the information from Glasgow City Council. The council will potentially pay a big chunk of the projected £16 million. I cannot see how that will automatically bring empty properties back into use. There is a reason why properties are empty, and just clobbering people is not going to help.

This short bill will produce major financial problems for businesses that are struggling to get through these tough economic times. Only this morning, the Clydesdale Bank reported that it had suffered an 80 per cent increase in bad debts due to the drop in the value of commercial property. That is the real backdrop to the bill. The most that we can hope for is scrutiny after the bill is enacted so that Parliament can return to the proposals.

In relation to the provisions on bringing empty housing back into use, the proposals on their own are not likely to be enough, but they may be useful to local authorities as an option and as part of the kit that they have in their toolbox to regenerate communities. Although we do not believe that the proposals as they relate to housing are perfect, at least they have been the subject of consultation, so stakeholders have been able to submit their views, a number of which have improved the bill that is in front of us.

It is the detail that will be important. Shelter's empty homes campaign has highlighted that there are thousands of properties that could be rented or sold and brought back into productive use. The principle of using councils' flexibility in relation to council tax to act as a stimulus alongside other assistance to house owners is one that we support. The test will be whether councils have the staff and resources to make use of the provisions.

The bill that is in front of us is deeply flawed and will remain unfinished business for us. We will go back to the minister and repeat the evidence that has been given to us through the committee and by a number of stakeholders. We do not believe the minister's figures, and we do not believe that his proposals will deliver what he claims. We do not believe that the bill will deliver on bringing back empty properties into productive use.

16:33

Margaret Mitchell (Central Scotland) (Con): I cannot pretend that it gives me any pleasure to speak in this stage 3 debate on the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill, which will in effect rubber-stamp the final stage of the bill—given the Scottish National Party majority in the Parliament, it is a foregone conclusion that the bill will be passed at decision time this evening.

This is a bad bill that should never have seen the light of day, based as it is on the false premise that commercial property is empty through choice. No matter how often or how dogmatically the minister and the SNP Government make that assertion, it will not alter the fact that the vast majority of commercial properties are unoccupied due to a lethal combination of lack of demand and the current economic climate.

During the passage of the bill, the Scottish Conservatives have done everything that we can, including drafting amendments, to try to mitigate the adverse consequences and to ensure that the provisions will apply only to the few, but notable, examples throughout Scotland where properties have been wilfully left empty. In response, the SNP has systematically and arrogantly watered down all those amendments, which would have given the bill some legitimacy.

From the outset, the approach to the abolition of the non-domestic rates relief discount has been particularly shambolic. There was no formal consultation on the non-domestic rates relief reform proposals, which will cost Scottish businesses millions of pounds each year. The minister has claimed that £18 million is a modest saving but, for those businesses hit by the new tax, the provisions are anything but modest and could result in devastating consequences, precipitating the closure of businesses.

Derek Mackay: In light of what the member has just said, does she have a view on the United Kingdom Government's intervention on listed properties, which will be exempt from rates? Meanwhile the UK Government has slapped VAT on those who choose to refurbish properties to try to bring them back into use. Does the member support that UK Government intervention?

Margaret Mitchell: The UK Government proposals that the minister is talking about are not part of the bill; they are not relevant. What the UK Government is doing is looking at the proposals that it inherited from the Labour Government and seeking to amend the policies that this Government is going ahead and introducing, which are absolutely preposterous.

As the Confederation of British Industry stated, the bill introduces a "tax on distress", with a cash grab on organisations and businesses that can least afford to pay. The adverse consequences of the new tax will not be borne by the private sector alone; the impact will also be felt by the public sector at a time when national health service boards, local councils and other service providers in Scotland are coping with stringent financial constraints on their budgets. As such, the bill will affect the delivery of public services to people throughout Scotland and will lead to job losses

and all the misery and dire consequences that that means for families in Scotland.

The minister and his Government have repeatedly heard the legitimate concerns expressed by the CBI, the Scottish Chambers of Commerce, the Scottish Property Federation and the Scottish Retail Consortium—to name but a few—about the adverse effects of the reduction in rates relief on commercial empty property. Despite that, the SNP has continued to use its parliamentary majority to force through what the Scottish Property Federation accurately described as

“the wrong tax at the wrong time.”

It said that

“if it goes ahead”,

we will

“see yet more businesses going into administration on our high streets.”

Scottish Land & Estates stated that the proposal

“will further penalise owners of business premises who are already experiencing real financial difficulties through loss of rental income.”

Members should forgive me, therefore, if I and all those affected by this legislation take with the proverbial pinch of salt the Scottish Government’s contention that it has been listening throughout the progress of the bill. Significantly, the Scottish Government has succeeded in uniting the business community in Scotland as never before—in opposition to the bill. [*Interruption.*] I am not surprised that the cabinet secretary does not like what he is hearing. It will get much worse in the next few months as the bill’s provisions kick in.

The legislation will not only punish property owners, who are already suffering in the current economic climate; it will also punish Scottish businesses and put them at a competitive disadvantage with the rest of the UK, deter speculative development, stifle inward investment, and further hinder the construction industry.

No business and regulatory impact assessment has been carried out and there is no evidence to support the contention that empty properties will be brought back into use as a result of this legislation. The vast majority of empty properties are not wilfully left unoccupied but unoccupied due to lack of demand.

This is bad legislation, which will only add to the problems already faced by the business community and others. Consequently, the Scottish Conservatives will vote against the bill this evening.

The Presiding Officer (Tricia Marwick): We now move to the open debate. I remind members that speeches are four minutes. If everybody

keeps to their four minutes, it will ensure that everyone who has requested to speak will be called.

16:39

John Wilson (Central Scotland) (SNP): I come to this debate as a relatively new member of the Local Government and Regeneration Committee. I was not a member of the committee when the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill was debated at stage 1. That said, it is clear to me that not all property owners have been vigorous in their approach when dealing with long-term empty properties.

The proposal to give local authorities a provision to increase council tax charges on long-term empty properties will have the effect of positively dealing with long-term empty homes. Equally, I know that various agencies, including the national review of town centres, have been involved in the discussion around how best to regenerate town centres.

There was general agreement by the Local Government and Regeneration Committee of the principles as outlined in the legislation, although some clarification of the proposals was desired.

Clearly, some sectors of the business community, such as the Scottish Retail Consortium, are not satisfied with regard to the business rates relief issue. The proposal has been described by some as contentious. With regard to the proposal that businesses will get a 10 per cent discount on unoccupied properties, the actual situation is that business have not shown sufficient incentive while they have received a 50 per cent discount on unoccupied properties.

I know that the minister gave a commitment at stage 2 that confirmed the Government’s intention to introduce future regulations to reform empty property rates relief and create a new incentive for new occupation of long-term empty shops and offices. The fresh start scheme aims to provide business rates relief for a year and encourage new occupants of offices and shops that are lying empty.

At stage 2 of the bill, the Government allayed the concerns that were noted during the stage 1 debate, particularly in relation to the fine for not registering an empty property going up from £200 to £500. I know that that is a matter of discretion for local authorities, but I hope that the minister keeps it under constant review and thinks about whether the revised figure is sufficient, as it is not even a week’s rental income for some owners.

The light-touch regulation that is associated with the landlord registration scheme came in for some

criticism from me and others in the previous session of the Parliament. I trust that we can move forward and that the legislation assists in that process.

The intention of getting empty properties back into use is of real merit as, according to Shelter, there are around 23,000 long-term empty houses. The issue is brought home to me when I see people who seek housing looking enviously at an empty property in a village of pressured-area status, wishing that they could call that their home, but that property has been lying empty for a number of years and the owner has no intention of letting it or selling it on.

The issue of regenerating our existing town centres is a tall order, especially when there are out-of-town shopping centres that are geared towards cars, which makes the retail decision for some consumers not exactly a difficult choice. There is a lack of parking spaces in towns throughout certain parts of—

The Presiding Officer: You need to start to bring your remarks to a close.

John Wilson: Thank you, Presiding Officer.

In many ways, the traditional town centre has been losing out as a result of wider societal change, and the challenge is for it to find new ways of doing things differently and better. I hope that the bill will be a step in the right direction and will encourage landlords to think seriously about renting out properties so that the market can gain a foothold in the town centres that are currently being blighted by the number of empty properties that exist.

16:45

Anne McTaggart (Glasgow) (Lab): I want to express my concerns on the challenging process and the questionable content of the bill.

As a member of the Local Government and Regeneration Committee, I have been involved with the progress of this bill from its inception, and I have consistently been disappointed by the lack of compromise on the part of the Scottish National Party Government at each stage. Not one Labour amendment has been accepted during the process.

With more than 100,000 empty properties in Scotland, I recognise that there is a serious issue and that the regeneration of these buildings must be a priority. High streets and city centres are too often blighted by derelict buildings, unoccupied properties and abandoned offices. That must be addressed, and I encourage the Scottish Government to invest in our town and city centres in order to tackle that growing problem.

However, a principal aim of the bill is to encourage economic growth and allow our local communities and small businesses to develop. How can that be achieved when councils across Scotland are telling the Scottish Government that they will have to demolish buildings in order to survive the economic implications of this ill-considered bill?

In such a challenging economic environment, the Scottish Government's proposals fail to take into account the many public bodies that will have either to sell off or to pull down buildings simply to maintain current budgets. The proposals also fail to consider the negative impact that the measures will have on future planning processes, where buildings have been designated for long-term reallocations. Local authorities, health bodies and other public bodies are deeply concerned by the uncertainty and unnecessary challenges that the measures contained within the bill will bring.

Despite that, the Scottish Government continues to claim that the bill will have a positive impact on our fragile economy and somehow encourage growth in our town and city centres. The bizarre belief that charging small businesses and public bodies more for disused buildings will result in fewer unoccupied properties is both misinformed and unfounded. The assertion that the measures will generate much-needed funds for the public purse is shamefully short-sighted, given that the Scottish Property Federation has estimated that around 20 per cent of the additional revenue generated by the bill will come directly from public bodies.

The Scottish Government has consistently sidelined the concerns of public bodies, small business owners and town planners. It is shameful that there has been such poor-quality dialogue and discussion from the SNP Government and, if passed, the bill will be poorer and substantially less effective as a direct result.

16:46

George Adam (Paisley) (SNP): I am extremely pleased to speak in this debate. I do so not in a cold or academic way, because the town that I represent, and in which I was born, has already been mentioned today in a rather negative tone by a Labour front bencher. For me, the town of Paisley provides a perfect example of how we can use this bill as a tool to regenerate our town centres.

In Paisley, we have a situation where about half a mile of the high street is owned by about 90 different individual landlords who have shops that are now just sitting empty. No one knows who currently has the lease if there is a need to gain entry to those properties. During the election

campaign last year, I said that I would represent the people of Paisley—I made a pact with them that I would put their case forward—and the high street in Paisley is one thing that has constantly been discussed in the town over the past 10 to 15 years. With the bill, we are going beyond just talking about the issue and are actually doing something about it. Instead of just sitting and constantly complaining and debating backwards and forwards, we are putting something forward that will make a difference in towns across the whole of Scotland.

Earlier today, I met two young constituents who were in the public gallery. They are not there now—stage 3 was obviously just too exciting for them—as they have left to meet the Kingston bridge. They came here and they wanted to see the debate because, the minute that we mentioned the bill, the two of them right away, without prompting or anything else, said, “That’s the bill that could make the difference in our high street.” Now, this is the vision thing that we have to remember: none of us in this chamber got involved in politics to stand here for two-and-a-half to three hours debating non-stop for no reason. We came here and we got involved to make a difference in our communities, and that is exactly what the bill will do.

Jim Hume (South Scotland) (LD): The member mentioned that he consulted two children. Did he actually consult any businesses in Paisley regarding empty properties?

George Adam: Ironically, anyone who had listened earlier would know that our problem in Paisley is trying to retain people because of previous Administrations in Westminster, including Labour Administrations.

Derek Mackay: Does the member welcome the fact that we consulted businesses on this issue, including the business improvement district steering group, which supports our direction of travel in relation to empty property rates relief?

George Adam: Yes.

We have talked about Mr Hume’s contributions to the debate. We must remember that some organisations take a purely business perspective and do not consider the greater good of a community or town. Some people involved in the property cartels that own properties in my area probably do not know where Paisley, Penrith or Perth is. They own property purely because it is part of their property portfolio, and they do not consider the community. The bill will make a major difference for towns such as mine.

The bill will be part of an on-going programme from the Scottish Government that looks at practical ways to regenerate our town centres. That means delivering on a promise that I made to

the voting public in Paisley. The bill will benefit the whole country. Some see debates as some academic way of hitting each other. For me, they are about the people whom I represent—the people of Paisley—and about the people of Scotland. The bill will go a long way towards us delivering for them.

16:51

John Pentland (Motherwell and Wishaw) (Lab): I supported the bill’s objectives, but I have not been convinced that it will achieve those objectives. The lack of evidence for and the shakiness of some of the assumptions that underpin the bill are such that the jury is still out on its effectiveness and on whether some actions could be counterproductive.

As I have previously said, I am disappointed by the way in which the bill has been handled, which has been disrespectful of our democracy and our Parliament. Was it acceptable that information that the Scottish Government promised to supply on finance to assist with stage 2 deliberations was not received until the evening before the meeting when the Local Government and Regeneration Committee was to debate amendments? That was far too late to shed light on issues that had a bearing on amendments, and it followed a late response at stage 1 and difficulties in obtaining the Finance Committee’s assessment. We also had to contend with committee changes at stage 2; new members had not been involved in the evidence gathering and the debate.

It should be noted that reviews of business rates, local taxation and town centres are being undertaken, all of which have a bearing. Despite that, the reasonable request for more time and further information was given short shrift.

As a result, we are being pushed to sign a blank cheque with inadequate information about what it will be used for and what the impact will be. What does that say about the careful and proper consideration of legislation that we are supposed to undertake? It says that, despite the battering that it has taken, the Government is determined to undermine its credibility further and reduce it to a new low.

We are left with legislation that could have an adverse impact and do more harm than good. The affirmative procedure has been denied us, but the regulations can still be given proper scrutiny, if SNP members do not block that. I say to them, “Don’t be afraid—accountability and scrutiny are supposed to be part of the democratic process.”

16:53

Kevin Stewart (Aberdeen Central) (SNP): I thank all the folks who gave evidence to the Local

Government and Regeneration Committee and I thank the members of that committee and the clerking team.

One of the most pleasurable aspects of dealing with the bill was that some of us took a trip to Shetland and gained a huge amount of knowledge in the short time that we were there. I am really glad that the Government has recognised the plight of Shetland Islands Council and has moved to try to alleviate some of its difficulties. That is to be applauded and shows that the Government has listened to the Shetland case.

The Government has listened on a number of other issues, too. As George Adam does, I want to see empty properties being brought back into use. The target is 5,500 properties across Scotland, and I hope that that is achieved. The fact that the Government has listened is shown by the fact that it has said that it will introduce the fresh start scheme. That scheme will operate similarly to the scheme that was introduced earlier in the year in Northern Ireland; it will provide 50 per cent relief for 12 months for properties that are brought back into use after being empty for a year. The Federation of Small Businesses said:

“A rates discount for properties brought back into use is a great idea that we hope can be made to deliver for Scottish town centres and high streets ... The details of the scheme will be crucial to its success and we hope that all sorts of small enterprises can benefit.”

I am sure that the minister will continue his discussions with the FSB and others to ensure that the fresh start scheme is a success.

We did not hear much—I mean in particular from the Con-Dem partners—today about the situation in England and Wales. The scheme that operates there is somewhat different, and I have to say that it is not as good as what is proposed in Scotland. Robert Neill, who was a junior minister at the Department of Communities and Local Government, has said that the coalition has

“no immediate plans to reverse”

the 2008 reforms—reforms that I believe are not as good as the bill that we are debating today.

If we look around our constituencies and nearby, we see that there are, without doubt, property owners who deliberately keep their properties empty for whatever reason. They are being subsidised to do that by not having to pay the rates that they should be paying. I will give an example. In my old council ward of Northfield in Aberdeen, which is in Brian Adam’s constituency of Aberdeen Donside, there is a set of shops that have been empty for 13 years. It is not as though offers have not been made for them; for example, there was a suggestion that they could be taken over for community use, but that was rejected by the owners, for whatever reason.

Although a lot has been said about the doom and gloom in the economy, in many parts of the country—including my patch—where the recession has not hit as hard as it has hit elsewhere, we have property owners who are deliberately keeping properties empty. That has to be resolved.

As I said at the start of my speech, the Government has listened. It has listened in the case of Shetland Islands Council and it has listened to small businesses and has come up with the fresh start scheme. I hope that the Government will continue to listen to those who are affected—I see the minister nodding—and that we will see 5,500 empty properties being brought back into use sooner rather than later.

16:58

Jim Hume (South Scotland) (LD): I start by expressing my appreciation of the minister’s last-minute announcement about her phone call today with Shetland Islands Council. Although there is no detail on that, it is proof that my colleague Tavish Scott’s amendment has pushed the Government to act, finally, on the Shetland question.

This has been a disappointing day for business and for jobs in Scotland. The bill is a clear message from the Government that it is not open for business and that it wants to tax businesses at a time when we should be encouraging them. In particular, we should be encouraging them to invest in commercial property so that Scotland can be primed and set to grow out of the recession.

The Government did not carry out a timely business impact study on the consequences of the bill and it failed to deliver a consultation on time and it has not considered the committees’ views on the implications of hammering hard-hit businesses that employ people. The bill will make it more expensive to provide job opportunities, and businesses that are at the heart of our struggling town centres will struggle to invest to bring life back into the hearts of our communities.

The Government has a majority, just, but it is intent on bulldozing its ill-thought-out plans into the very parts of Scotland that are struggling just now—our town centres and businesses that employ Scottish people.

I used a lot of quotations in my previous speech, and could use others. Members have said that the bill will have a devastating impact on Scotland’s most economically vulnerable regions, that it will be a deterrent to new commercial development, that it will be a barrier to investment in our ailing town centres and that it will stifle and suppress growth. Therefore I do not agree with Kevin Stewart; the Government has not listened fully to

those who know better. Instead, it has shown its true colours in being neither open for business nor having considered the effects of poor legislation on the economy and on jobs that are much needed at this time.

The bill in no way encourages businesses to let their properties to other businesses, and it positively discourages investment in the commercial property that is, as I have stated, needed to boost Scotland out of recession and to boost our town centres, and which is at the heart of job creation in Scotland.

Why ignore concerns and threaten jobs only to gain some rates from business in the short term? If this Government had listened and consulted—

Derek Mackay: Will the member give way?

Jim Hume: The minister can address my comments in his summing up. If this Government had done that, it would not be threatening business growth as it is today.

At question time this afternoon, Fergus Ewing stated that

“small businesses are the backbone”

of Scotland and that they create jobs. However, those are the very small businesses that are being kicked in the back today. We will not support the bill.

17:01

Michael McMahon (Uddingston and Bellshill) (Lab): In 13 years as a member of this Parliament, I have seen quite an array of legislation go through. Some of it was vital, and some of it was technical in nature and, at times, bewildering in its meaning and outcome. Some of it has tested my loyalty to the maximum and some that this Government has introduced since it came to office has tested my ability to treat it at face value and give it my support. I have supported some legislation and afterwards regretted having done so.

However, without doubt, the bill that is before Parliament today is the worst that I can recall in respect of its policy intention and technical merits. It has been badly conceived and intransigently pursued in a way that I have never experienced and hope never to encounter again.

I strongly opposed the Offensive Behaviour at Football and Threatening Communications (Scotland) Bill and take pride in having voted against it. However, in doing so, I was always prepared to believe that the Government was genuinely seeking to address a major problem in Scottish society, even if I fundamentally disagreed with the efficacy of the proposal and its potentially detrimental unintended consequences.

However, this bill has nothing whatever to commend it. It is not properly evidenced. In fact, it is not just poorly evidenced; it contains no evidential sustenance at all. Previous speakers have highlighted the root-and-branch flaws in the bill, but I will quote the Scottish Chambers of Commerce to highlight just how badly the bill sits. It said that

“the Scottish Government is demonstrating, at best, a total lack of understanding of the pressures facing business in Scotland today”.

Although evidence on the legislation that was introduced in England in 2008 is there for all to see, the Government refuses to take it on board. There are truly none so blind as those who will not see.

Derek Mackay: I will ask Michael McMahon the same question that I asked Sarah Boyack. What evidence is he specifically referring to?

Michael McMahon: I refer the minister to the evidence that was given to the Finance Committee by the Scottish Property Federation, but there is more than that. The CBI, among others, has looked at and provided evidence on what happened in England—the detrimental impacts and the businesses that have been knocked down instead of being regenerated. The evidence is there, but the minister does not want to see it.

John Mason: As far as England is concerned, the evidence that was received by the Finance Committee was that no one knows whether the problems with property are a result of the downturn in the economy or the legislation. There is no evidence.

The Presiding Officer: You have taken interventions, Mr McMahon, so I can give you a little more time.

Michael McMahon: Thank you very much, Presiding Officer.

John Mason was at the Finance Committee and heard the evidence to which I have just referred. The Government was asserting that the bill will bring 5,000 empty properties back into circulation, but there is no evidence whatever to back that up. Whatever John Mason wants to say about what has happened in England, we know that the legislation there has had a detrimental impact. It was introduced at the wrong time and in the wrong way—and it was a Labour Government that introduced it. Why would the Government want to copy what is being done at Westminster when that has not worked?

The fact is that the Government evidence that was brought to the Finance Committee was shot through with holes that were created by false assumptions and downright mistakes in the costings that were presented.

After listening to the arguments that were conveyed clearly by the business community, local authorities and others, and which have been reiterated in the debate this afternoon, and in the absence of any credible rebuttal from the Scottish Government, there is no course of action available to me today other than to oppose the bill as vigorously as I can, and that is what I will do.

17:05

Gavin Brown (Lothian) (Con): The first fundamental question to ask about any bill is whether there is a problem that needs to be addressed. The obvious answer in this case is, "Yes." It is clear that there are far too many empty homes and properties throughout Scotland, and I think that there is political support throughout the chamber and the country for that issue to be addressed.

However, the second question that we must ask about any legislation is whether it will solve the problem that it is designed to tackle. In answer to that question, there is a resounding "No." No evidence whatever has been presented, either in written form or at committee, or even at a late stage by the Government, to suggest that the legislation will have any impact on the problem.

We keep hearing the magical figure of 5,500 properties. Kevin Stewart repeated that figure, saying that the target is to bring back into use 5,500 properties. However, when the bill team was asked about the figure, it said clearly that 5,000 is the number of properties that will be affected by the increase in the tax. That is the number of properties that will be hit, not the number of properties that will be brought back into use.

Mark McDonald (North East Scotland) (SNP): Will the member give way?

Gavin Brown: I will accept an intervention at any time—even from Mark McDonald.

Mark McDonald: Looking at the issue purely on first principles, does Mr Brown believe that subsidising empty properties is a justifiable and good use of taxpayers' money?

Gavin Brown: Scottish National Party members keep referring to "subsidising empty properties". The position is very clear; there are several thousand properties throughout Scotland that the owners are, because of market conditions, unable to let or sell, through no fault of their own. If we look at the numbers of such properties 10 years ago in comparison with the numbers today, it is apparent that the vast majority are empty because of market conditions. I will turn the question round, and ask whether it is fair to penalise those people by almost doubling their tax overnight purely

because they happen to be unlucky. As Margaret Mitchell said, it is a "tax on distress".

The minister wanted to talk about evidence. The Scottish Government has provided no evidence at all that the bill will have any impact on the number of properties in use. We heard time and again evidence to that effect in the Finance Committee and in the Local Government and Regeneration Committee. I have read every single submission that was made to each committee, and I sat in on every evidence session in the Finance Committee and read the *Official Report* of every evidence session in the Local Government and Regeneration Committee.

I cannot identify a single person—other than the Government or a minister—who thinks that the bill is a good idea. Every single organisation—not just the business organisations, as Patrick Harvie pointed out—presented its fears and concerns. The submissions included evidence from business organisations, as members have outlined. I will not repeat the names, but it was pretty much all of them. However, the submissions also included evidence from organisations such as the Association of Town Centre Management and the enterprise trusts. The Convention of Scottish Local Authorities was slightly cagey about the bill, and councils such as Glasgow, Falkirk and Fife expressed serious concerns about it. We even heard an NHS body express deep concerns about it.

For those reasons, there is a broad consensus against the bill. The only people I can find who think that the bill is a good idea are from the Government and the team that presented the bill to us.

Mark McDonald: Earlier this afternoon, I spoke on the subject on the BBC alongside Mr Brown's colleague, Jackson Carlaw. The BBC had spoken to representatives of the Aberdeen business improvement district who welcome the legislation and think that it will be beneficial in bringing empty properties back into use. Perhaps Mr Brown wishes to take that on board.

Gavin Brown: If that is correct, perhaps that organisation should have submitted evidence to the committee when it was considering the bill. However, I would be astonished if any business organisation thinks that the legislation will bring empty properties back into use, because there is no evidence to suggest that it will.

Let us consider the Scottish Government's own enterprise body, Scottish Enterprise, which is charged with helping the economy and business across the country and has a fairly large budget with which to do so. As of yesterday, it has 400 empty properties across Scotland that it has been unable to shift. If the enterprise body has 400

commercial properties that it is unable to shift, how on earth can we expect smaller organisations and businesses to shift their properties?

Chic Brodie (South Scotland) (SNP): Will the member take an intervention?

Gavin Brown: I am afraid, Mr Brodie, that my time is up.

We are left with a total turkey of a bill. On that basis we will oppose it, come decision time.

17:11

Sarah Boyack: Members have highlighted their fears about the impact that the bill is likely to have on our hard-pressed business community.

Labour members started from the principle of supporting the idea behind the bill of bringing empty properties back into use, so we interrogated the proposals and listened to the concerns that were raised by stakeholders. John Pentland and Michael McMahon both highlighted the procedural problems with the handling of the bill and the evidence that was presented on the bill.

No doubt the minister will remonstrate with those who bring him unhappy news, but the number of major shopping centres being constructed is at a 20-year low. That is partly due to the recession but, in representations to us, the organisation that deals with the construction of shopping centres in the UK has been firmly of the view that the additional burden that would result from businesses losing their empty property rates relief once they had built new properties is a financial risk that they cannot afford to take. Their financial calculations have been altered not only by the impact of the recession—by people not shopping—but by the lack of finance from banks.

Problems in the business sector have been reported to us. We know that the number of empty properties in England and Wales has increased from 5 to 15 per cent during the period concerned.

We welcome the changes with regard to empty housing that have been made to the bill. Local authorities will now have the appropriate discretion and can decide when, how and where to use the provisions in the bill. They will be able to place more realistic penalties on those who do not cooperate by providing the appropriate information. However, we all know that the provisions in the bill on their own will not be enough to bring back into use the estimated 23,000 homes that Shelter estimates are lying vacant. Shelter is right to say that a package of measures is needed, including advice and information for the owners of empty homes and incentives such as loans and grants to bring homes back into use.

Glasgow City Council has suggested that the power to use enforced sale procedures, which exists in England, should be included in the community empowerment and renewal bill. I hope that the minister will give that suggestion serious consideration. Such a power would enable the council to force a property sale without the requirement for a public inquiry, and the council would not have to own the property. I hope that the minister will look at the proposal positively.

We all know that councils are cash strapped. One of their main concerns is whether they have the staff and the resources to put in place the mechanisms that will enable them to use the powers in the bill in practice. Councils are working extremely hard to deal with the huge pressure on them, particularly on their housing departments, to help people who are struggling to make ends meet and keep their houses, following the Tory welfare reforms.

Those are the circumstances in which the legislation will be tested. We question how extensively the powers will be used by local authorities. They will not be a magic bullet. The Scottish Government could do more to provide publicity and information so that the legislation is drawn to householders' attention and they are informed about the provisions. The minister should make a commitment on that. When the statutory instrument is passed by the Parliament—as it no doubt will be—clarity for householders and other affected stakeholders will be crucial, so that they understand the process.

As a result of the massive unpopularity and problems on the non-domestic rates side, the housing element of the bill has not received the same representations and lobbying as it might otherwise have done. The minister will have to ensure that there is maximum publicity and that local authorities are supported by decent guidance on how the statutory instrument will be implemented.

There is a supreme irony in the fact that the Scottish Government is using the council tax—a tax that it does not believe in or think credible, and which it is committed to abolishing—to bring empty homes back into productive use. I would be interested to hear from the minister in his closing remarks how he thinks that abolishing council tax and introducing the hated local income tax would help in the circumstance of bringing empty properties back into use.

As many members have said, the bill contains fundamental flaws. We think that the SNP should have taken the non-domestic rates element off the table and explored it properly before bringing it back to the chamber.

The bill will be voted through, regardless of the representations that have been made. The minister will not get his £18 million—he has already revised that down to £16 million—but businesses will take the hit for this policy. It will make their struggle to get through the economic times in which we are living and to create jobs harder.

There have been some positive elements in the housing provisions, but not enough to make us vote for the bill. The NDR proposals are fundamentally flawed and the SNP Government is letting down the business community by not acknowledging the problems that the bill will create.

It is right that local authorities will have access to new powers on housing, which they think will make a positive difference. However, we believe that the Scottish Government has set the potential increase too high, and we hope that local authorities will reflect on that view when they come to use those powers. Council flexibility and local strategic approaches will be vital, because the powers on their own will not be enough. House owners will need support. People with empty properties have not automatically decided to have those properties empty; there are many reasons why people's properties are unoccupied. People will need support with marketing their properties and with gaining tenants, which is why we think that a proper approach is needed. The bill will not be sufficient. The guidelines that will accompany the proposals will be crucial and the Scottish Government needs to get the detail right.

The key point is that this will be unfinished business for all of us. There are many unanswered questions and concerns about the proposals, and the detail will be absolutely crucial. I do not believe that this will be our last discussion on the bill. We will have to come back to the bill, because it will create more problems than it can ever solve. It will be Parliament's job to scrutinise the minister's actions and put pressure on him so that the bill will not be left where it is, and so that more action will be taken to give businesses and hard-pressed householders practical help, not just give them a problem with the bill.

The Presiding Officer: I call Derek Mackay to wind up the debate. Minister, I would consider it a favour if you would continue until 17:29.

17:18

The Minister for Local Government and Planning (Derek Mackay): I would consider it a pleasure to continue until that time—[*Laughter.*] After those popular opening remarks, I begin with the least controversial part of the bill—the housing support grant. Shetland Islands Council has

benefited from that and indeed will continue to benefit from it, as a result of an offer made to the council and accepted by its leader. I would say to Tavish Scott—who is not here at the moment—that that goes to show how strong ministerial assurances are in the Scottish Government, and that we can deliver on our promises, as we have done in this instance. I believe that the policy intention of the other elements of the bill will be delivered, too.

There is a great deal of consensus around the empty homes action and it is right that local authorities will have the discretion to choose which level will be appropriate for their local circumstance. Anne McTaggart made the point that perhaps 50 per cent will be more appropriate in some circumstances, but it will be for local authorities to choose whether they apply 0, 50 or 100 per cent on top of the council tax for empty properties.

It has been suggested that we have not taken on board many of the Opposition's comments. In fact, at stage 2 I moved a number of amendments on behalf of the Government that were a consequence of listening to stage 1 proceedings and other contributions to the debate. For example, we capped the council tax increase at 100 per cent at the request of the appropriate committee.

Sarah Boyack asked about local income tax. We will consult on that during our current term in office. We would want to look at any policy implication, including how we could bring further properties back into use.

On a more controversial subject, we must tackle the blight of empty commercial properties, particularly in our town centres. I am still at a loss to explain why Opposition members do not get the rationale that it is simply unfair for a Government to make it cheaper to keep properties closed than it is to open them up for economic regeneration in local communities. It would be wrong to suggest that there is no support for our policy. There is a great deal of support for the policy, whether it is for travelling to business improvement districts or from local communities who do not see why their taxes are contributing to a subsidy to keep properties closed.

Margaret Mitchell was wrong to suggest that the rates relief system in Scotland is less generous than the system in any other part of the United Kingdom. In fact, the relief that we give to Scottish business is more generous than the relief in any other part of the United Kingdom. It now costs more than £0.5 billion but is targeted appropriately at local businesses. Three in five premises in the commercial sector pay zero or reduced business rates as a result of the policies of this

Government, which the Conservatives used to support but voted against at the last budget.

Margaret Mitchell: Can the minister confirm that, as a result of the Government's policies, businesses in Scotland are now facing more than £150 million more in taxation than businesses south of the border, in the form of the retail levy and the unoccupied properties tax?

Derek Mackay: I can confirm that the rates relief offered in Scotland is more generous than the relief offered in any other part of the United Kingdom. The poundage delivered by this SNP Government was matched to the poundage in England, which was more generous than the position under the previous Labour Executive or the Conservatives.

On the subject of consultation, I would argue that to have ticked a box on a BRIA and left it at that would have been unacceptable in the circumstances. That is why I have engaged with many members in the private sector—

Gavin Brown: Will the minister give way?

Derek Mackay: I would like to make progress. There are a number of questions to which Gavin Brown wanted answers.

There has been on-going consultation, engagement and refinement of our policy, such as the fresh start initiative. I cannot believe that the Liberal Democrats will vote against that, as it delivers an incentive to provide rates relief to those people who bring unused properties back into use, which is a position that they supposedly support.

I will return to Parliament to ensure that the regulations are given the robust interrogation that members would expect, consistent with equivalent reliefs such as the small business bonus scheme. I have committed the Government to post-legislative scrutiny so that we can test the impact of the policy in our communities.

The Conservatives have talked about "a tax on distress". I bow to their experience in delivering taxes that cause distress. For example, the VAT rise cost Scottish business and Scottish consumers £1 billion. Where was the BRIA for that? Their approach was to apply VAT when people were trying to refurbish listed properties in Scotland. This is not an operational tax; it is a property tax.

Gavin Brown: If I heard the minister correctly—I wrote down what he said—he suggested that carrying out a BRIA would have been just ticking a box. BRIAs came about as a result of the regulatory review group—an outstanding group that was set up by the Government and by Mr Swinney in particular. The group is an excellent idea that can make legislation far better. Will the

minister retract his statement that carrying out a BRIA is simply ticking a box?

Derek Mackay: I support the BRIA approach, but the level of engagement that I have deployed in relation to empty property rates relief is better than that which it would have received through a BRIA.

Sarah Boyack: Will the minister give way?

Derek Mackay: Please let me make some progress.

I asked a number of Opposition members for the evidence and the response was, "You know, the evidence." I have looked at the evidence and, in particular, the Lambert Smith Hampton report that was published by the Royal Institution of Chartered Surveyors, which Margaret Mitchell wanted me to look at. That report identified that there had been an impact in England and that there had been demolition of properties to avoid non-domestic rates. However, that related to industrial properties, so this Government's response was to exempt them from the variation. That shows that we have responded to concerns.

I have further evidence in support of the Government's position. The Association of Town Centre Management Scotland has been mentioned. Its most recent statement welcomes the plans to offer businesses entering long-term vacant property a 50 per cent discount for the first 12 months under the fresh start scheme as a credible package of measures to support town centres and high streets that is being introduced by the Government. It states:

"We think this can help stimulate growth in the economy."

Gavin Brown: The minister, rather flippantly, waved about the Lambert Smith Hampton report. Where in that report does it say—as he said—that only industrial property had been demolished?

Derek Mackay: The bottom paragraph of page 2 states:

"The sector most impacted by APR was industrial property."

Gavin Brown: "Most impacted". Right.

Derek Mackay: It seems a logical response for the Scottish Government to exempt industrial property, just as we have done with listed property. Our range of reliefs will still be more generous than that in any other part of the United Kingdom.

I have cited other areas of support, but it was the UK Conservative Government's command paper that said that there was no evidence to suggest that the variation caused any disturbance in the private sector because of the other factors

that were in play. Indeed, it said that to change the policy would be “unaffordable”.

The Labour Party’s responses were most disappointing, because the legislation is about incentivising the use of empty properties. It is about making savings, too. The £2.3 billion that is raised through non-domestic rates goes to public services. Why does the Labour Party talk in terms of what is on and off the table? Why does it say that free prescriptions are not to be delivered and that free education, personal care, travel and a council tax freeze for hard-pressed families are unaffordable, but that the £18 million subsidy to businesses to keep their premises closed is on the table and affordable? That says much about the Labour Party’s sense of priorities.

Sarah Boyack: Will the minister give way?

Derek Mackay: I am in my final minute.

It is fair to say that an empty property rates relief policy, which was invented by the Labour Party and continued by the Conservatives and the Liberals, is not one that the SNP Government would naturally feel a sense to adopt—and we have not adopted it in the form in which it affected England. We have refined the policy and we have mitigated the impacts in Scotland by providing exemptions. In considering the most generous package of rates relief in the United Kingdom and in looking at the incentive scheme in Northern Ireland, we have ensured that we have the right balance to tackle the blight of empty properties in our town centres and empty homes across Scotland. We have ensured that we deploy appropriate policies that contribute to the regeneration of our country and which, importantly, sustain the budget that Mr Swinney has balanced for a number of years.

All that we have heard from the Opposition is opportunism and a lack of alternatives. I commend the bill to Parliament to ensure that we tackle the issue of blight across Scotland.

Business Motion

17:29

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-04613, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Tuesday 6 November 2012

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Scottish Government Debate: Permanence and Adoption

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members’ Business

Wednesday 7 November 2012

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Rural Affairs and the Environment;
Justice and the Law Officers

followed by Scottish Government Debate: Scotland’s Relationship with Malawi

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members’ Business

Thursday 8 November 2012

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister’s Questions

12.30 pm Members’ Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Scottish Government Debate: Road to Recovery, Drugs Strategy

followed by Legislative Consent Motion: UK Prisons (Interference with Wireless Telegraphy) Bill – UK Legislation

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 13 November 2012

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)
followed by Scottish Government Business
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business
 Wednesday 14 November 2012
 2.00 pm Parliamentary Bureau Motions
 2.00 pm Portfolio Questions
 Health and Wellbeing
followed by Scottish Government Business
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business
 Thursday 15 November 2012
 11.40 am Parliamentary Bureau Motions
 11.40 am General Questions
 12.00 pm First Minister's Questions
 12.30 pm Members' Business
 2.30 pm Parliamentary Bureau Motions
 2.30 pm Scottish Parliamentary Corporate Body
 Questions
followed by Scottish Government Business
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time—[*Joe FitzPatrick.*]

Motion agreed to.

Parliamentary Bureau Motion

17:30

The Presiding Officer (Tricia Marwick): The next item of business is consideration of a Parliamentary Bureau motion. I ask Joe FitzPatrick to move motion S4M-04614, on approval of a Scottish statutory instrument.

Motion moved,

That the Parliament agrees that the Criminal Justice and Licensing (Scotland) Act 2010 (Incidental Provisions) Order 2012 [draft] be approved.—[*Joe FitzPatrick.*]

The Presiding Officer: The question on the motion will be put at decision time.

Decision Time

17:30

The Presiding Officer (Tricia Marwick): There are two questions to be put as a result of today's business. The first question is, that motion S4M-04598, in the name of Derek Mackay, on the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (North East Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)

Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Walker, Bill (Dunfermline) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)

Abstentions

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stewart, David (Highlands and Islands) (Lab)

The Presiding Officer: The result of the division is: For 66, Against 20, Abstentions 32.

Motion agreed to,

That the Parliament agrees that the Local Government Finance (Unoccupied Properties etc) (Scotland) Bill be passed.

The Presiding Officer: The next question is, that motion S4M-04614, in the name of Joe FitzPatrick, on approval of a Scottish statutory instrument, be agreed to.

Motion agreed to,

That the Parliament agrees that the Criminal Justice and Licensing (Scotland) Act 2010 (Incidental Provisions) Order 2012 [draft] be approved.

Vivarium Trust (Co-housing for Older People)

The Deputy Presiding Officer (John Scott): The final item of business is a members' business debate on motion S4M-03413, in the name of Roderick Campbell, on the Vivarium Trust and co-housing for older people. The debate will be concluded without any question being put.

Motion debated,

That the Parliament welcomes the efforts by the Vivarium Trust to publicise the benefits of co-housing in North East Fife and across the country; supports efforts to establish a trial project in order to highlight what it considers to be the benefits associated with co-housing for older people, including security and mutual support among peers, autonomy, people retaining control over their own circumstances, companionship instead of isolation, a sense of belonging, community and commitment and affordability through shared costs, and understands that, since its inception in Denmark, these positive attributes have been widely associated with co-housing.

17:33

Roderick Campbell (North East Fife) (SNP): I welcome the members of the Vivarium Trust who are in the gallery for the debate: Hugh Hoffman, Margaret Farrell, Erika Topolewska and Senga Bate. I also thank my MSP colleagues who have stayed behind for it.

I am pleased that we are able to have the debate and to bring the work of the Vivarium Trust and the benefits of co-housing to the Scottish Parliament's attention, following on from the trust's exhibition earlier in the year.

The Vivarium Trust was set up in 2007 to promote co-housing through the provision of information and advice. The trust believes that co-housing offers a new and better way of living for older people. The model involves an affordable, self-managed form of living that combines the autonomy and privacy of individual households with a sense of community and mutual support.

The Vivarium Trust plans to establish a pilot project in North East Fife so that it can demonstrate how co-housing works in action, test the practicalities, and offer a new model of housing that it hopes will encourage others across Scotland and the United Kingdom. I am delighted to announce to Parliament that the Vivarium Trust is in the process of setting up a partnership with Kingdom Housing Association to establish its pilot project in the St Andrews area of North East Fife.

Members might ask what co-housing is. By way of background, I can tell them that the concept originated in Denmark. The first attempt to build a co-housing community started in the winter of 1964, when Danish architect Jan Gudmand-Høyer

gathered a group of friends to discuss housing options. The concept found its feet in Denmark in the 1970s, and today there are many well-established co-housing projects there. There is also continued growth in new co-housing communities, and the concept has been incorporated into the master plans for many larger developments.

In the UK there are co-housing projects in Dorset and in Springhill, although they are not specifically for the over-50s. The concept has spread across the globe, with co-housing projects in the Netherlands, Australia, New Zealand, Japan, Canada and the United States of America.

That is no surprise, because each home is designed for the individual while existing in a community that contains communal facilities, based on the needs and preferences of members. The communal facilities are often in the form of a common house and include areas for leisure and socialising, office space, gardens and workshops.

Every co-housing community has different needs, but all co-housing communities have the same characteristics. First, there is the democratic process. Residents lead co-housing projects through the various stages of development and then manage the community through a democratic structure. All co-housing communities are designed for people. The community is designed by and for its residents, and although separate households exist they all share common goals.

The central tenet of co-housing is the shared facilities, often a common house that is the hub and heart of every co-housing community. Shared facilities differ between co-housing communities, and communities often open up their common space to the wider community.

The co-housing model offers a variety of benefits for people who choose to become involved in a project and it provides the opportunity to create an active community among its members. The Vivarium Trust was set up to demonstrate why co-housing is an important additional living model for older people. Research shows that many of the housing options that are currently available to older people do not meet their needs—and certainly do not meet the needs of an increasingly active older generation, whose members want to retain their independence for as long as possible.

In the current financial climate, it is understandable that more and more older people want to retain their independence and require affordable housing. The co-housing model offers older people the chance to minimise their living costs, through energy efficiency measures, ecological design and the sharing of facilities. Projects can maximise their income through social

enterprise, for example by selling on surplus renewable energy that is generated.

It is important to be mindful of the benefits of co-housing for older people, which go beyond reducing living costs. Far too often, older people feel isolated from their community. Co-housing offers companionship and mutual support instead of isolation. It allows the individual to feel a sense of belonging and community and enables older people to have on-going, active responsibility for their circumstances, which promotes mental and physical wellbeing.

The Vivarium Trust is in the process of setting up a partnership with Kingdom Housing Association. The pilot project will be an intentional community for the over-50s, based on the co-housing model. The proposal is for 25 to 30 self-contained dwellings of different sizes, which will be purpose built or adapted on ecological principles. All the dwellings will be designed with ageing in mind. The whole project will be designed with sustainability in mind, in not just the economic but the social sense. That principle will permeate every stage, from the initial planning application to on-going living in the development.

The proposed amenities for the pilot include areas for socialising, a kitchen/dining area, a library, an office/computer room, a laundry room and gardens. There is the possibility that the project will have a small leisure facility.

In keeping with the principles of co-housing, members of the pilot project will be responsible for every stage of the development. The development will be a demonstration project, to show the general public, young and old, the practicalities and benefits of sustainable living in a co-housing community. The Vivarium Trust hopes that the project will demonstrate how co-housing can be applied in Scotland and the UK.

The Vivarium Trust has a committed group of approximately 20 members who are committed to becoming involved in the pilot project and are already looking forward to the design of the common house. Many other members are committed to various degrees, and the trust is continually looking to recruit new members. I hope that the debate will assist it with that goal.

The work that the trust is undertaking is clearly incredibly worthy, and it has been mindful of developing the project so that it will make a positive contribution to the Scottish Government's national objectives. It is hoped that the pilot will provide an example of how housing can be developed to aid Scotland in becoming a healthier, fairer and greener society.

I am pleased to have been able to focus members' attention on the trust and co-housing, and I welcome, and congratulate it on, its work,

including the work that it has already undertaken to publicise the benefits of co-housing and in the project in North East Fife. I wish it every success in the future.

I thank members for their cross-party support to enable the debate to take place.

17:40

Elaine Murray (Dumfriesshire) (Lab): I am not particularly familiar with the Vivarium Trust, although I know that it had an exhibition in Parliament earlier this year, and we have just heard a very interesting speech that gave us many more examples of its work.

Co-housing, which was developed in Scandinavia, is one model, but there are similar types of community development that accommodate people with shared interests in specific or mixed age groups. I want to reflect on some of the benefits of those developments and of the more familiar varieties that we know. I will use them to highlight why that type of development, of which co-housing is one example, is particularly helpful for people.

My sister lives in similar accommodation, but it is not a co-housing project. It is in Tunbridge Wells, but I do not think that she ever signs her name as "Disgusted". There are several owner-occupiers in individual flats in her large house, but as everybody is a member of the committee they make decisions about how the house and gardens will be maintained and various other things. From what she has said, that can have its frustrations as well as its benefits.

Many of us are, of course, familiar with accommodation for older people, such as retirement housing, sheltered housing and very sheltered housing. Such housing may be owner occupied or socially rented, but it has many of the benefits that Rod Campbell has described in talking about the Vivarium Trust. I have been around most of the accommodation for older people in my constituency over the years, and I have always been particularly taken by the extreme liveliness of the residents. Many residents in such accommodation are in their 90s and may have physical disabilities. There is always a contrast between meeting people in that type of accommodation and going into a residential care home—there are contrasting outlooks on life. I know that many accommodation complexes have their own committees that organise outings and social events. Residents do those things for themselves.

Earlier in the year, I went to a Scottish evening at half past 6 in one of the retirement housing complexes in my constituency. I thought that older people—some of them were in their 90s—might

not want to be up all night or have folk hanging around. I left at half past 9 and was told later that the event went on until 3 o'clock in the morning. I heard that the same happened at Hogmanay. I might try to get an invitation to the complex at the end of this year, as the people there seemed to have a heck of a lot more fun at Hogmanay last year than I had.

At the Finance Committee meeting this morning, we heard that housing spend is a cornerstone of preventative spend and that investment in housing adaptations can save the health service much greater sums of money through preventing older people's emergency admissions to hospital or admissions to residential care. There are interesting statistics. It may seem that I am going slightly away from what we should be talking about, but the approach of people designing things according to needs is relevant to the co-housing debate. The all-party parliamentary group on housing and care for older people at Westminster has said that the average cost to the state of a fractured hip as a result of someone falling is nearly five times the cost of a major housing adaptation and 100 times the cost of fitting grab rails or rails of that sort.

When I went to one of the Hanover (Scotland) Housing Association sheltered housing developments in my constituency, I got a copy of the research that it had carried out. It was found that, for an average cost of £2,800 for adaptations, the Scottish health and social care system could save an average of more than £10,000 or the equivalent to 483 hours of home care, 19 weeks of care with nursing staff or two orthopaedic operations. When we look at that level of savings, we can see how appropriate housing, of which co-housing is one model, can make a huge difference not only to the lives of older people but to the interventions that they require from the health and social care services in the future. Therefore, all such developments are very much to be welcomed.

17:45

Fiona McLeod (Strathkelvin and Bearsden) (SNP): I thank Rod Campbell for bringing this debate to Parliament today and for inviting the Vivarium Trust to have a stall here a few months ago. I found it fascinating to learn about the trust.

I wanted to be in the debate today more to listen and learn than to make a strong contribution, but when I tell members about the population statistics of my constituency, they will understand why I want to listen and learn so much about housing that will help us as we grow older. Presently, the numbers of 60 to 74-year-olds and people aged 75-plus in East Dunbartonshire, which encompasses my constituency of Strathkelvin and

Bearsden, are 2 per cent above the national average, but the registrar general for Scotland's projections for 2035 show a decline in all age groups in East Dunbartonshire except for 65 to 74-year-olds and people aged 75-plus. We are facing an explosion in the population of those aged 75-plus from the current 9,196 to 17,090, living well, long and healthy lives but requiring housing that is appropriate to their needs.

One of the things that struck me was that the number of households in East Dunbartonshire with someone aged 75-plus will have risen by 88 per cent by 2035. That tells us something about the housing needs in my constituency. Currently in Strathkelvin and Bearsden, there are 423 sheltered housing properties, but in 20 years' time there will be 17,000 people aged over 75. Members can see from that why I am interested in this debate and in what the Vivarium Trust does. I am so delighted to hear that there is going to be a project that we can all go along and see and learn from.

Reading up for this debate was so exciting, because I found out, for example, that 8 per cent of Danes live in co-housing—so it is happening already and in good numbers—and that there are 230 co-housing schemes in the Netherlands. It is therefore not just pie in the sky, because it is really working.

I got so excited the more I read about it and I think that a lot of my constituents will as well. The idea of an intentional community that combines the autonomy and privacy of the individual household with the mutual support offered through a degree of collaborative living is right up my street and the street of many of my constituents. I came across a lovely quote that stated that people have to start thinking about this when they are in their 50s and 60s, so that it is there for when they really need it.

I intend to go out with my dog-walking group, which is a bunch of women in their mid-50s who had the sense to have dogs and not late babies, and talk about becoming an intentional community and working on co-housing for our group. Of course, we might not want a communal house; we will want a communal kennel. I am being serious, because some of the things that I have learned are so exciting. The fact is that the inception, design, detailed planning, building and development of the co-housing property through to its on-going operation is managed by the members themselves in a fully participatory manner. That is right up my street and, I am sure, the street of many of my constituents.

It is interesting to learn that co-housing for older people is now incorporated as an option in the national housing policies of Denmark and the Netherlands. I hope to be able to explore the issue

further with the Scottish Government with regard to the very particular needs of my constituency and its growing elderly population. Thank you very much and thank you again to Rod Campbell.

17:49

Alex Johnstone (North East Scotland) (Con):

I, too, congratulate Roderick Campbell on having brought the motion before Parliament for debate tonight. In fact, it is a subject that I have heard of in the past, but I feel quite guilty about not knowing more about it. Like previous speakers, I hope that by the end of the debate I will have been properly focused on the subject and will be able to do more about it.

In fact, the more I read my notes, the more I realise that co-housing is quite an attractive prospect for someone like me. As I am a young man—in my mind I am still a slim 21-year-old—my plan was to look at it as something in the distant future. The problem, though, is that we need to think about these things earlier.

In my research I found the same fact that was used a moment ago. However, a figure was missed out previously, so I would like to read it out in full to demonstrate the full horror:

“Co-Housing was first created in Denmark in the 1970s, and around 8% of Danes aged over 50 now live in Co-Housing.”

That indicates to me that I am not as young as I thought I was and it is about time I started to think about these things.

We in this country like to do the best for our older people. Quite often, with the best of motives, we end up doing things that are not exactly what we set out to achieve. We work hard these days to keep older people in their own homes and in the communities in which they have traditionally lived. However, the problem with that is that in traditional housing, as they get older they become isolated. Many of our older people who do not suffer a particular disadvantage, either health-wise or in terms of access to the community around them, find themselves increasingly isolated simply by their increasing years. In fact, by doing the right thing we are sentencing many of our old people to an old age in solitary confinement.

That is why a principle such as co-housing could deliver so much more. If older people can work together and ensure that their needs are properly catered for without the necessity for continual, round-the-clock nursing or observation, it will enable them to maintain their independence. At the same time, as they get older, they can become dependent on each other. It ensures that their privacy and decorum can be maintained, yet they are never alone and never left without, at least, observation.

We need to recognise those changing needs. Like previous speakers, I am fully aware that the number of people in the older age groups will continue to rise dramatically in the years to come. Should I be lucky enough to live into my 70s or 80s, I expect to be part of a very much larger cohort than is the case today. For that reason, I genuinely believe that this opportunity to move forward with the Vivarium Trust's proposal and to look at the pilot and its results will allow us to change our attitude towards housing for older people, to pool resources, to maintain the independence and sanctity of individuals in their old age, and to ensure that when I am older I will have a really interesting place to stay. I look forward to that opportunity and to learning more during the course of the debate.

17:53

Clare Adamson (Central Scotland) (SNP): I, too, thank Roderick Campbell for bringing the debate to the chamber this evening and highlighting the work of the Vivarium Trust.

As someone born and raised in Lanarkshire and living close to New Lanark, it is no surprise that I have some interest in place making founded on the principles of the co-operative movement. Yet we still have such a long way to go, despite New Lanark's beginnings in 1784. I hope that members will indulge me when I talk about that a bit. When he founded the mills in New Lanark, David Dale was already a successful businessman, who had benefited from the surge of trade from tobacco and textiles in Glasgow in the late 1700s. He was considered an ethical employer by the standard of the day, but it was the succession of his son-in-law, Robert Owen, to control of the business that was truly transformational.

New Lanark was not about workers' houses but about establishing a community—place making in the true sense of the process and philosophy. New Lanark gained an international reputation for social and educational reform and—another first for Scotland—it had the world's first infant school. It also had a crèche, free medical care, a comprehensive education system for its children and lifelong learning opportunities, with evening classes for adults. We hold many of those values dear today, and we debate many of them in this chamber to this day.

New Lanark also offered leisure and recreation opportunities. They were integral to the design of the place, with opportunities to attend concerts and go to the dancing.

All of that was set in the tranquil and beautiful landscape of Lanarkshire, nestled at Corra Linn in the Falls of Clyde.

On new year's day 1816, Robert Owen delivered an address to his workers. He said:

"I know that society may be formed so as to exist without crime, without poverty, with health greatly improved, with little, if any misery, and with intelligence and happiness increased a hundredfold: and no obstacle whatsoever intervenes at this moment except ignorance to prevent such a state of society from becoming universal".

Unfortunately, our society has been ignorant for too long. That is why I welcome the enlightenment of the Vivarium Trust and its pilot programme for Scotland. It is a co-operative movement that, by appropriate place making, seeks a better way of living for older people, who will be able to access affordable, self-managed living and accommodation that is appropriate to their needs. It will be a supportive environment and community offering recreational facilities and social inclusion. It will also be built on the principle of participation, with residents involved in the design stages. It will be built on ethical standards and to ecological efficiency standards, and the build quality will ensure that there are affordable homes with low heating overheads.

However, should that not be the blueprint for all our housing? There are fantastic examples of housing, some of which Elaine Murray detailed. In that list, I would include the Gröadians development in Lerwick in Shetland and the Blackwood homes at Cala Sona in my home town of Wishaw, which support disabled residents.

Is it not incumbent on all housing associations and local government to build and design our homes and living communities with the idea of community cohesion at their core? If we did, perhaps we could then truly aspire to the example, the co-operative ideals and the utopian dreams of Robert Owen, nearly 200 years ago.

17:57

The Minister for Housing and Welfare (Margaret Burgess): I congratulate Rod Campbell on securing this debate and thank him for drawing wider attention to the work of the Vivarium Trust to publicise and develop co-housing for older people. I also welcome the members of the trust who are observing the debate from the public gallery.

The motion gives me the opportunity to highlight the benefits of co-housing in enabling older people to live independently in a community with mutual support and control. It also allows me to set out the Government's wider work on housing and support for older people, to which Vivarium's work contributes.

"Age, Home And Community: A Strategy For Housing For Scotland's Older People: 2012-2021" contains our 10-year strategy for housing for Scotland's older people and was published last

December. We were delighted to be able to include as a case study the work of the Vivarium Trust to develop co-housing in Scotland.

We have heard from Fiona McLeod and Alex Johnstone about the challenge of the ageing population. It is forecast that the number of people who are aged 75 and over will increase by 82 per cent by 2035.

It is also important to note that, as was mentioned, the Vivarium Trust is thinking about people who are aged 50 and over. Perhaps we should be thinking about the issue before it is too late.

We heard from Clare Adamson about the importance of people being involved in the project from start to finish. That is an important issue for me. In my short time as Minister for Housing and Welfare, I have found, when I am going around housing associations and new developments, that the ones that have involved the tenants and the community are the most successful and are comfortable places to be, even upon arrival. That is what we get from what is being proposed by the Vivarium Trust. Who knows better what is required in design of homes than those who will live in them? As Clare Adamson said, we should be thinking about that in relation to all our housing.

We also continue to face tough economic conditions, with real-terms reductions in the Scottish budget of more than 11 per cent over four years—a loss of more than £3 billion, which is not insubstantial. It is therefore vital that we have the right housing support for older people. Our getting that right will enhance people's quality of life and their wellbeing. It will also make better use of our resources by reducing the number of falls and other accidents in the home, and consequently the number of emergency hospital admissions.

Our national strategy for housing for older people is built around four themes that are exemplified in the co-housing model. Those themes are: older people as an asset, choice, planning ahead and preventative support. Our starting point is that older people consistently tell us that they want to remain living in their own homes and communities for as long as possible. It is right that older people, as everyone else does, should have that choice. Where older people are able to live independently in their own homes, wider society benefits as well as the older people themselves. Scotland's older people are an asset.

Co-housing provides an environment where older people can remain active. We heard from Dr Elaine Murray about the activities in older people's housing complexes in her constituency. Those sound very interesting, and I think that we would all like to join the parties there. Co-housing allows

older people to contribute to their communities and to retain control over their lives.

I should make it clear—as others have highlighted—that there is no single model of housing and support that meets the needs of all older people. Older people are as diverse as any other section of society, with differing needs and expectations that reflect their individual life experiences. That means that we need a range of different types of housing and support services to meet those needs and expectations. Co-housing is one of the newer and more innovative housing models that we are keen to encourage. It showcases age-appropriate design, affordability and, as we have heard, energy efficiency as well as a mutually supportive community.

One of the central themes of our work on housing and support for older people is prevention. The importance of preventative work has been widely recognised, including in the Christie commission report and in our response "Renewing Scotland's Public Services". We cannot pretend that we can always prevent falls or deterioration in health, but there are many preventative services related to housing that support wellbeing and reduce the likelihood of traumatic and costly hospital and care-home admissions. Co-housing demonstrates many of the features of the best preventative support services for older people in terms of the control that it gives residents and its personalisation to their individual circumstances.

The publication of our national housing strategy for Scotland's older people was an important milestone. The strategy was put together with the help and support of a number of housing and older people's organisations, including the Vivarium Trust, as well as—this is an important point—older people themselves. However, the strategy did not mark the end of our work; in many ways, it was just the beginning. As a Government, we are committed to the development of preventative support services for older people. We are also considering options for the future delivery and funding of housing adaptations, which play a key role in helping older people to maintain independent living, as we have heard in relation to the evidence that was put to the Finance Committee.

In conclusion, older people's issues have rightly gained prominence in the housing agenda. We need to sustain the momentum that we have built up and to increase it as we implement our strategy and deliver our vision. With its major contribution to the development of co-housing in Scotland, the Vivarium Trust is part of the rich mix of housing and support that we seek to build in order to help enable older people to live independently. I have been delighted to hear about the progress that has

been made and I will follow the pilot with interest.
Tonight, I wish Vivarium well as it continues its
work to develop co-housing in Fife.

Meeting closed at 18:04.

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