Dear James

I would like to take this opportunity to thank the Committee for the useful evidence gathered during your Empty Homes Inquiry, and also thank those who took the time to respond.

I have now had the opportunity to consider the detail of your report and am pleased that the Committee is generally supportive of our approach. As you acknowledge the reasons private homes become, and remain, empty are often multi-faceted and there is no one-size fits all solution to the problem.

As the Committee is aware, the Scottish Government has been engaging extensively with a variety of stakeholders, to help shape a draft vision and principles for Housing to 2040. One of the principles is that every home is occupied and none are left empty without good reason.

It is widely accepted that the best method of returning homes back into productive use is to provide advice and support for owners. That is why the Scottish Government continues to invest more than £400,000 per year in the valuable work of the Scottish Empty Homes Partnership who continue to bring increasing numbers of homes back into use.

The key to this successful approach, is of course, the network of empty homes officers. I welcome the Committee’s acknowledgement that local authorities are best placed to deliver change on the ground and the need for them to recognise the benefits dedicated empty homes officers can deliver to their communities. We will continue to work with the Partnership, local authorities and COSLA to encourage uptake of this approach, the flexible application of the empty homes council tax levy and promote the use of compulsory purchase.

I also believe that it is important that we both maximise the number of homes that are occupied and consider how these homes can support vibrant communities. We know that existing homes continue to form the vast majority of our housing stock. It is therefore...
essential that they are equipped for the future - for example by being more energy efficient and adaptable too. To help achieve this I would like to see local authorities take a more strategic approach – a view which I know is shared by the Committee.

We will consider how we can enhance the current successful approaches, along with what further we can do, as part of our review of empty homes policy. We will share a copy of the report with the Committee when it is ready.

I know the Committee made a number of specific points, requests and recommendations. For ease of reference, please find attached an annex which responds to each of these in turn and, I hope, makes clear what actions we will take in response to your recommendations.

Again thank you for your report and I look forward to discussing our work further in the future.

Kind regards

KEVIN STEWART
Annex – Recommendations

The Committee:

Empty homes officers

1. Recommend that all local authorities and COSLA work with the Scottish Empty Homes Partnership with a view to enhancing the empty homes services in their area.

SG response: Agree. The Partnership is bringing increasing numbers of empty homes back into use – more than 90% of those homes are directly attributable to empty homes officers. That is why I have been very clear that I want all local authorities to adopt this approach to bring these benefits to the Communities they serve.

2. Recommend that the Scottish Government works with COSLA and the Scottish Empty Homes Partnership to encourage the sharing of best practice amongst local authorities.

SG response: We already fund the Scottish Empty Homes Partnership to work with local authorities, and other organisations that have an interest in empty homes work, to share best practice. The Partnership also facilitate a number of best practice meetings for the network of empty homes officers throughout the year. This is in addition to the empty homes knowledge hub they maintain where best practice is shared regularly between the officers and the Partnership.

3. Recommend that the Government monitors Councils' progress in that regard and reports back to the Committee in a year's time on how this has impacted supply.

SG response: We will monitor progress and report back to the Committee.

Empty homes and links to other strategies

4. Recommend that the Scottish Government, COSLA and Empty Homes Partnership provide targeted support and guidance to those Councils which are failing to recognise the benefits of empty homes work in their overall housing supply and town centre regeneration strategies.

SG response: I recently wrote to COSLA and all local authorities about the benefits of the Partnership approach and outlining the targeted advice and support on offer. We will continue to engage with them over the coming year to consider how we can best support them to adopt a more strategic approach.

Measuring the scale of the problem

5. Ask the Scottish Government what further action it will take to support local authorities to identify those who do so, in order not only to ensure a more accurate picture of empty homes across Scotland, but also to help councils take action against those who fail to disclose their empty property.
SG response: We have funded the Scottish Empty Homes Partnership to develop a new website (launched last month) which makes it easier for members of the public to report empty homes: https://emptyhomespartnership.scot. The information gathered is then shared with local authorities who can then consider whether the empty homes levy should be applied.

**Measures to tackle the scale of the problem**

6. Request further detail on how the Scottish Government, COSLA and the Scottish Empty Homes Partnership will support local authorities with blanket policies to look to their peers for best practice on how their charging models in relation to the council tax levy could be altered.

SG response: We continue to promote best practice through the Scottish Empty Homes Partnership. As the Committee is aware I recently wrote to COSLA and all local authorities highlighting the flexibility afforded by the legislation encouraging its use. We will work with the Partnership to develop an engagement strategy for local authorities with blanket policies so that the promotion of best practice can be targeted more effectively.

7. Recommend that the Government keeps this matter under review and reports back to the Committee in a year's time on how recent actions have impacted on Council's charging policies so the Committee can assess whether further action is required.

SG response: We will monitor progress and report back to the Committee.

**Other methods of funding and financial incentives**

8. Recommend that the Scottish Government review whether the scheme could be widened to individual applicants and consider whether other specific schemes of funding could be developed to incentivise individual property owners in rural locations.

SG response: Any revised or new Rural and Islands Housing Fund, which continues beyond the current Parliamentary term, will take into consideration the evidence gathered during the Inquiry alongside views from the Housing to 2040 consultation. We will also consider the provision of financial incentives more generally as part of our review of empty homes policy.

9. Recommend that the Scottish Government review whether publicly funded loans or grant schemes including the Empty Homes Loan Fund, could be extended, or have restrictions removed, to assist such property owners.

SG response: We wrote to all beneficiaries of Empty Homes Loan funding earlier this year to offer flexibility around the affordability requirements of the original loans. I am aware that my officials are currently considering requests for variations to loan agreements and are progressing positive discussions with others. As discussions have progressed a number of beneficiaries have decided to return the funding.
10. Request an update on the status of the Rural Empty Property grant scheme.

SG response: I can advise that the Rural Empty Property Grant Scheme is a historic fund. We are preparing an update for the Committee which we will send on shortly.

Enforcement powers

11. Welcome an update on how the Scottish Government will monitor local authorities’ uptake of CPOs and make further improvements, if necessary.

SG response: We already monitor the number of CPO submitted and timescales for processing through our CPO register (which is updated quarterly). We will continue to liaise with local authorities and work with organisations, such as the Scottish Empty Homes Partnership and the Scottish Compulsory Purchase Association, to promote their use. We would welcome any feedback from local authorities on how we can continue to improve the guidance or application process.

12. Recommend that the Scottish Government sets out how it can tackle common blockages to using CPOs, such as an inability to engage with, or locate an owner, to ensure that the most problematic properties causing blight can be tackled.

SG response: The Scottish Government guidance for authorities (published in April 2018) already provides detailed advice on every step of the process – including how to trace and engage with property owners. We will continue to liaise with authorities to identify and understand barriers to use, and where necessary, produce additional guidance or training events.

13. Would also welcome an update on a timescale for a legislative review of CPO powers.

SG response: We are committed to the long-term reform of the CPO system but do not have a specific timescale for introducing legislation. Advice from the Scottish Law Commission is that taking forward reform of the legislation in Scotland would be complex and a significant undertaking. I have been clear that it will be impossible to do so during this Parliamentary term. However, as noted during my Committee appearance, our intention is to bring forward a package of proposals that addresses how authorities can assemble land, tackle problem properties and capture land value uplifts ready for the next administration to consider legislating on these matters.

Compulsory Sales Orders (CSOs)

14. Welcome an update from the Scottish Government on the development of CSO powers and how it will ensure that CSOs are less complicated, less resource intensive and less financially risky for Councils to use as an alternative to CPOs.

SG response: We will bring forward a package of proposals that addresses how authorities can assemble land, tackle problem properties and capture land value uplifts ready for the next administration to consider legislating on these matters. This requires careful consideration and we will keep the Committee updated as this work progresses.