20 September 2019

Dear Sally,

In our 2018-19 Programme for Government, we made a commitment to plan together with stakeholders for how our homes and communities should look and feel in 2040 and the options and choices to get there. Since then, we have been engaging extensively with a variety of stakeholders, including local government, businesses, the third sector, home owners, tenants and others to help shape a draft vision and principles for 2040. We are developing a whole systems approach to housing that takes into account the people, place, environment and communities in which our homes, both old and new, are located.

We have a vision of a Scotland where every home is occupied and no homes are left empty for significant periods of time without good reason. Of course good work is already taking place; 1,128 homes were brought back into use last year bringing the total to more than 4,300 since 2010. More than 90% of these homes are directly attributable to our network of dedicated empty homes officers, supported by the Scottish Empty Homes Partnership and employed directly by some local authorities across Scotland.

I have been very clear that my ambition is to see empty homes services operating in every area of Scotland that are supported by these officers. I therefore want to urge you along with all local authorities to make use of the help and support offered by the Partnership to establish new services or consider if existing services can be enhanced.

We continue to achieve good results but we always want to go further and consider what more can be done to bring homes back into use. We will therefore be reviewing the work of the Partnership, funds that support empty homes work, the use of the council tax levy for long-term empty homes, data collection, and work undertaken internationally to bring homes back into use. Our internal review should be completed by Spring 2020.
I have been following the Local Government and Communities Empty Homes Inquiry with interest and would like to take this opportunity to draw their work to your attention. I was pleased to see so many organisations participate, including many local authorities, and thank them for doing so. I will be reviewing this evidence and the conclusions as part of the review and as we develop our approach to Housing to 2040.

During these evidence sessions I understand that empty home owners raised concern about the application of the empty homes levy by some local authorities. The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013 provides local authorities with the power to apply a surcharge on long-term empty homes and determine the circumstances in which the increase applies. Each local authority can set policies which suit the needs of their area. The levy was introduced with the intention it would act as an incentive to encourage private sector home owners to bring their property back into use, rather than simply a revenue raising tool, and provides flexibility to take individual circumstances into account.

These powers are discretionary and rightly lie with councils. Funds raised by the levy can be used to fund empty homes officers posts – who in turn can help deliver more homes back into use by supporting private owners. I would encourage those with blanket policies to look at their peers who have chosen to adopt a more flexible approach with good results. For example, I would draw to your attention the work of Dumfries and Galloway Council. They make good use of the discretion afforded by the legislation and use a proportion of these funds to support empty homes work, such as, their £1 million Town Centre Living Fund. Our refreshed guidance and clarification on the flexibility on offer was published in April 2018 and is available at: https://www.gov.scot/publications/council-tax-on-second-and-long-term-unoccupied-homes-guidance/.

I would also like to highlight the potential of Compulsory Purchase Orders (CPOs) as a tool to help tackle problem properties. CPOs are a powerful tool available to authorities to acquire the land and property needed to enable projects that are in the public interest to proceed, where this would otherwise not be possible. I would therefore encourage all local authorities to consider using their powers pro-actively, when necessary and appropriate, to ensure real gains are brought to communities without delay.

In the past 18 months we have published a new suite of guidance for Acquiring Authorities to support authorities considering using CPO through the process from beginning to end. We have also published a series of case studies on the use of CPO and a register of all Orders submitted to Ministers for consideration since the start of 2012, so that authorities can see which of their counterparts have utilised their powers and for which purposes. Furthermore, we hosted three training events earlier this year for authorities on CPO, in partnership with the Compulsory Purchase Association Scotland.
My officials remain available to meet with local authorities considering the use of CPO to talk through the process, answer queries about the issues involved and to steer them towards further sources of advice. A number of authorities have taken up this offer over the past 2 years and have found these meetings to be helpful, so I would encourage you to actively consider the use of existing CPO powers, where necessary, to tackle problem properties and to support the delivery of projects that are in the public interest. Further information is available from: https://www.gov.scot/publications/compulsory-purchase-orders-introduction/

Yours sincerely

KEVIN STEWART