



OFFICIAL REPORT
AITHISG OIFIGEIL

Local Government and Communities Committee

Wednesday 4 September 2019

Session 5



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LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE
20th Meeting 2019, Session 5

CONVENER

*James Dornan (Glasgow Cathcart) (SNP)

DEPUTY CONVENER

Alex Rowley (Mid Scotland and Fife) (Lab)

COMMITTEE MEMBERS

*Annabelle Ewing (Cowdenbeath) (SNP)

*Kenneth Gibson (Cunninghame North) (SNP)

*Graham Simpson (Central Scotland) (Con)

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

*Andy Wightman (Lothian) (Green)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Kevin Stewart (Minister for Local Government, Housing and Planning)

CLERK TO THE COMMITTEE

Peter McGrath

LOCATION

The James Clerk Maxwell Room (CR4)

Scottish Parliament

Local Government and Communities Committee

Wednesday 4 September 2019

[The Convener opened the meeting at 09:45]

Decision on Taking Business in Private

The Convener (James Dornan): Welcome to the 20th meeting in 2019 of the Local Government and Communities Committee. I remind everyone to turn off their mobile phones.

Agenda item 1 is consideration of whether to take item 4 in private. Do members agree to do so?

Members indicated agreement.

Empty Homes

09:45

The Convener: Item 2 is the concluding evidence session of the committee's inquiry into empty homes in Scotland. I welcome Kevin Stewart, the Minister for Local Government, Housing and Planning, who is accompanied by David Cowan, head of regeneration unit, and Fiona Hepburn, housing markets policy officer, both from the Scottish Government.

The minister would like to make a brief opening statement.

The Minister for Local Government, Housing and Planning (Kevin Stewart): Thank you, convener. I welcome the committee's inquiry and thank everyone who has expressed a view and engaged so positively.

The committee will be aware that we are engaging with the public and stakeholders about how our homes and communities should look and feel in 2040. Our vision for 2040 envisages a Scotland where no homes are left empty without good reason, which we should all aspire to.

Bringing homes back into use is cost effective and increases supply. The Scottish empty homes partnership brought 1,128 privately owned empty homes back into use last year, which is a rise of more than 300 homes. More than 90 per cent of that is attributable to empty homes officers, which is why I continue to invest in the partnership and have doubled our funding to more than £400,000 per year until 2021. My ambition is to see empty homes officers working in every part of Scotland and I am pleased that progress is being made on that front.

We made changes to council tax legislation in 2013 that allowed councils to apply and vary a levy of up to 100 per cent on long-term empty homes. The reclassification of homes that followed increased the number of empty homes, with a corresponding drop in second homes. That means that owners face higher levy contributions to offset the negative effects of empty homes in our communities. I suspect that the changes have made the number of underused houses in Scotland much clearer.

Although we have achieved good results, it is time to examine our approach to empty homes more thoroughly. This year, we will review the work of the partnership, our support funds, council tax statistics and international comparators to consider what we could do better to bring more homes into use.

I know that the committee is interested in our plans for compulsory purchase orders and

compulsory sales orders. Some authorities are already using their CPO powers to tackle empty homes. Over the past three years, 13 CPOs have been submitted under housing legislation; all 13 were approved and nine involved the compulsory acquisition of empty homes in some form. We are working with the empty homes partnership to support authorities to use their existing powers.

We have committed to introducing a new CSO power for local authorities. Given the pressure for space in the legislative programme and the potential implications of Brexit on resources and parliamentary time, I do not expect to be in a position to progress a CSO bill in this parliamentary session, but we remain committed to progressing that work.

That will allow us to take the time that is needed to work through issues and challenges with the current proposals that stakeholders have identified. For example, a CSO would result in the expropriation of property so we must, in support of the public interest, ensure that the process is compatible with the European convention on human rights. There are also questions about how conditions of sale could be attached to a property title via a CSO.

Therefore, we want to take more time and 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 introduce legislation. Of course, convener, I hope that that next Administration will be a Scottish National Party one.

The Convener: Thank you for your full response. A lot of the issues that you raised will be delved into later. We have heard from stakeholders that there are many reasons why properties become empty and those reasons can be complex. What is your assessment of the scale of the issue and do you plan to take any further actions beyond what you have already mentioned?

Kevin Stewart: We continue to listen to people on the front line who are dealing with the issue. During the summer, I took the opportunity to discuss empty homes and empty homes officers with some local authorities. Ms Hepburn and I visited Falkirk, which has two empty homes officers, and we talked about the flexibilities that they may require to provide an even better service than the current one.

Falkirk is a very good authority in terms of what it has done—plaudits to it for putting in place two empty homes officers—but we are always willing to listen and see whether we can put flexibilities into the system to allow people to do even more.

That includes looking at how the empty homes loan fund is used, for example.

The Convener: Is a national response required to deal with the issue of empty homes, given that it is found all over Scotland? If so, how could that be achieved?

Kevin Stewart: We have taken a national approach with the empty homes partnership between the Government and Shelter Scotland, which is paying dividends in the areas where empty homes officers have been established. We quickly see the difference that an empty homes officer makes in a local authority area.

In the Western Isles, an empty homes officer was appointed in October 2018 and over the summer the authority was talking about the benefits that that has already brought to the Outer Hebrides. There are some 500 empty properties in the Western Isles, and the appointment of the empty homes officer, who is funded by the council and the empty homes partnership, has already led to 82 homes undergoing refurbishment and renovation, with 32 of the homes being sold privately and eight rented out. Beyond that, the empty homes officer has also managed to reach agreements with some local companies about discounting for some of the work. Those things can be achieved very quickly.

That has all come from the council, which knows the place better than anyone else. Although I have doubled the money for the empty homes partnership and I am happy for Government to play a part in that, the on-the-ground delivery of filling up those homes should be a matter for the local authorities. They know their areas best.

It is disappointing that a number of councils still have not appointed empty homes officers. Those councils need to look at the positive benefits that have been gained in other areas when empty homes officers have been appointed. My discussions with Calum Iain Maciver in the Western Isles showed the difference that an empty homes officer has made there in a short time.

The Convener: I accept that this is not in your remit, but how will empty homes be addressed as part of the wider town centre regeneration agenda, particularly for areas such as Newmilns, which have declining populations and are facing wider economic and demographic challenges?

Kevin Stewart: I have not visited Newmilns, but I have spoken to some members of the committee who were there. If you do not mind, I will not talk about the specifics of Newmilns.

It is important that we create vibrant town centres. One of the reasons that the Government introduced the £50 million capital town centre fund was to enable local authorities to stimulate and

support a wide range of investments that encourage town centres to diversify and flourish. We have also encouraged local authorities to look at the town centre first principle, which many local authorities have put in place.

Soon after being appointed to this post, I visited Dumfries to see the work that was going on in its town centre, particularly work that the Stove Network was leading. I took the opportunity to talk to folks who do business in the town centre. At that point, there was only one household left in the town centre of Dumfries. There were lots of buildings above shops that were completely unused. We can all agree that that is disappointing.

I applaud Dumfries and Galloway Council for the efforts that it has made in recent times to turn that around. It has established a £1 million fund from the council tax levy to ensure that there are moves to improve and revitalise the town centre in Dumfries. The flexibility that we have in place shows that local authorities can make those decisions and make real differences to people's lives. Dumfries and Galloway is a good example of what can be done and it is at the early stages of that. I hope that other local authorities will look to see what is going on there, so that they can move forward on the same front.

Alexander Stewart (Mid Scotland and Fife)
(Con): You touched on the fact that empty homes officers have been successful and brought benefits. During evidence, we found that to be true. This morning, you listed a number of councils that you have visited, which have seen that success. Should the empty homes officer be part of local authorities' housing strategies?

Kevin Stewart: Yes, it should be. There is no doubt about that. Local authorities can use the money that they take in from the levy to employ empty homes officers. In so doing, they will get that investment back again and again, by utilising empty properties. Often, those properties are a blight on the community and cause difficulties for the folks who live close by. As a former councillor, for the life of me, I cannot understand why local authorities, knowing what we know now, would not put an empty homes officer in place.

10:00

Alexander Stewart: My old council, Perth and Kinross Council, was pioneering in what it did. That has proved to be successful. Some local authorities say that they do not have the resources to provide an empty homes officer. I find that difficult to believe, but I understand that they are looking at priorities, how they want to manage their housing strategy and what they want to achieve.

As you identified, in some locations, some houses are easy to get back into use. The real challenge for empty homes officers and councils is the houses whose owners are much more difficult to identify and locate.

You identified Dumfries, where there is a large number of homes that are one floor above a shop or in a different location. To ensure that they get the best process within their communities, what should be the main focus of the empty homes officers?

Kevin Stewart: It is difficult for me to say what the best use of the empty homes officer resource is, because that will be different in different local authorities. In some cases, when empty homes officers are appointed, it is easy to get a number of homes quickly back into use, because, as you said, there is low-hanging fruit out there. They might be properties that have not been empty for that long.

However, in certain places, officers have been tackling buildings that have been empty for some time. At the awards ceremony that is held for empty homes officers, I have always been amazed by projects that have brought long-term blights on communities back into use. That takes time. However, that resource is well spent, because I see a lot of that as spending to save, as do many folks who are positive about empty homes officers. It is not just about bringing those homes back into use, which is important. It is about making communities safer again.

One of the houses that Ms Hepburn and I went to look at in Falkirk had been a beautiful old house. If that had been dealt with at an early stage, it would have been much better. Unfortunately, that was not the case and it will take a lot of work to bring it back into use.

While that has been going on, it has not been good for the community around that house, which has had to bear the situation. In that case, I hasten to add that I do not lay the blame for that length of time at the door of the empty homes officers in Falkirk. Far from it—they have done their level best.

If we move in at the early stages, we can resolve those things quickly, rather than creating difficulties for not only the local authority but other services, such as the police and the fire service, which are often involved in dealing with the nonsense that goes on when a property becomes derelict.

Alexander Stewart: You identified the importance of being proactive. The committee went to visit locations where, as you identified, a building whose owner was difficult to find was a blight on the community. Once the council was proactive, it transformed that community. The

blight was removed, there was a usable building and the community could see that it had improved.

It is about local authorities being proactive in identifying what they can achieve. However, in some locations, it was coming down to how resource and funding could be managed, because one house or location that takes years to progress uses a lot of resources. Other ones—as you say, the low-hanging fruit—were much easier to bring back into use. The biggest stumbling block for some of the locations was the length of time that it took for authorities to be proactive.

Kevin Stewart: As I said, one of the discussions that we had in Falkirk was about the requirement for more flexibility around some of the packages that we have in place already. I am always keen to look at whether things are working appropriately. The other thing about funding is that I see it very much as spending to save. The resource that a local authority might put in will return much more value.

Graham Simpson (Central Scotland) (Con): I will follow on from that line of questioning. I know that you do not want to beat the councils with a big stick and tell them what they have to do, but what have you been doing to try to persuade the handful of councils that do not have empty homes officers to take somebody on?

Kevin Stewart: Mr Simpson and others will have heard me in the chamber not long ago—in answer to Alison Johnstone, I think—saying that the Edinburgh and Lothians MSPs should encourage the City of Edinburgh Council to take on an empty homes officer. That has certainly come out in discussions that I have had with the local authority, and that will continue to be the case. I will continue to highlight the difference that empty homes officers make.

I gave the example of the Western Isles: that authority has had an empty homes officer for less than a year and is already seeing the difference. For this city of Edinburgh, where some folks have real difficulty in accessing housing, I would have thought that the logical step would be for the council to utilise everything it can to bring homes back into use. It would make sense to have an empty homes officer here in Edinburgh, as it would in every authority that currently does not have one. We have made that as easy as we could with the empty homes partnership. Shaheena Din, who heads up the project, is excellent. Councils can call on the partnership for advice and everything is positive. They just need to get on with it.

Graham Simpson: Shaheena Din gave evidence to the committee and was very impressive. The fact that a tiny council such as Falkirk Council employs two empty homes officers—

Kevin Stewart: Absolutely.

Graham Simpson: —while Edinburgh does not employ any seems to me to be extraordinary. Is there a job of work to be done by MSPs—and you, as the housing minister—to sell the benefits to councils that do not have empty homes officers?

Kevin Stewart: I will continue to try to sell the benefits of having empty homes officers. As Mr Simpson knows, the Government is sometimes accused of centralisation, so I do not want to force people to do things. However, there is a huge benefit in councils employing empty homes officers. Mr Simpson has pointed out that Falkirk Council, which is a small council, has two empty homes officers; it is reaping the benefits of that. Other councils could, and should, be doing likewise.

Andy Wightman (Lothian) (Green): I want to ask about powers of enforcement. You have talked about compulsory purchase orders; I gather that you have done a bit of work speaking to councils to encourage their use.

Kevin Stewart: Yes.

Andy Wightman: What lessons have arisen from that in relation to councils' ability to use CPOs, in particular for recovering empty homes?

Kevin Stewart: Off the top of my head—I cannot find the figures—13 CPOs have been asked for recently. Nine of those have progressed and all 13 were accepted.

I have a very small team—I heard this morning that it is now an even smaller team, because somebody has moved on elsewhere—dealing with CPOs. Members of that team have made themselves available to all local authorities to provide the help that might be required. That is not to say that my officials can make a CPO for a local authority, but they give guidance when it is required.

As the committee already knows, we have refreshed the CPO guidance. I wanted to do that at a very early stage, and we have done so. We have held a number of training sessions, including a combined event with Shelter Scotland, which will bear fruit. We have made the changes, and I remain committed to ensuring that my officials help when they can.

I think that some culture change in respect of use of CPOs is required. Maybe some of the former councillors on the committee will attest to that, too. When I was a councillor on Aberdeen City Council, there was risk aversion to using compulsory purchase powers. Local authorities have been more than willing to use such powers for transport projects, for example, but they have been much more wary about using CPOs for housing or regeneration projects. We need to play

a role in removing that risk aversion. As well as making the guidance as simple as possible, we all have a job to do in changing the culture and making it the norm for CPOs to be considered for housing or regeneration projects.

I tried to remember the figures off the top of my head, and I was not far off the mark. In the past three years, there have been 13 housing CPOs and nine acquisitions of empty homes. The average turnaround time of CPOs has reduced from 377 days to 160 days—it has been confirmed that a recent case was done in 21 days. Therefore, we are beginning to see some benefits from the work that we have done, including refreshing of the guidance.

Andy Wightman: Nine acquisitions over three years is hardly significant—it is neither here nor there.

Kevin Stewart: I agree.

Andy Wightman: In 2015, the Scottish Law Commission published a final report on a broad refresh and reform of the laws on compulsory purchase orders that would make them easier to use. You do not seem to have done anything to progress those recommendations.

Kevin Stewart: I disagree. We have refreshed the compulsory purchase order guidance.

Andy Wightman: That is the guidance; I am talking about the law.

Kevin Stewart: As I said in my opening statement, we are looking at the law on compulsory purchase orders, compulsory sales orders and land value capture. I think that most folk around the table recognise that that is a huge amount of work. We have to unpick the Lands Clauses Consolidation (Scotland) Act 1845, and we have to build a system that is compliant with the European convention on human rights and balances everybody's rights. I am committed to doing that, and we will progress that work.

The work will not move at the pace that I would have liked it to move, but as I spelled out in my opening statement, there are a number of issues that mean that a huge number of our legal officers—the Government's solicitors—are tied up with other things, including Brexit. I am sure that the committee would not want to see a slapdash bill that might not work or be compliant with the ECHR, and which would fall quite quickly. We need to get the work right.

10:15

I agree with Andy Wightman's comments about not many CPOs having been used, but beyond that, many more local authorities are looking to use the power. I am never one to chance my luck,

but at this moment, a number of local authorities are looking at progressing CPOs. That has come out from discussions only this week. We are seeing a change: it is maybe not fast enough for folks around this table, and it is not fast enough for me, but we are seeing the change.

Andy Wightman: You mentioned compulsory sales orders. The Government consulted on those in the summer of 2015. At the time, ministers said that they were committed to bringing forward proposals in this parliamentary term. You made a manifesto commitment to

"bring forward proposals to modernise and improve powers for compulsory sales orders."

You said that Brexit and other priorities have got in the way. Given that you have had four years, what other priorities are more important?

Kevin Stewart: Brexit has taken a huge amount of effort from everyone in Government. I would rather that those efforts were directed elsewhere.

Beyond that, Andy Wightman needs to take cognisance of the fact that the Government also established the Scottish Land Commission to look at those issues. In formulating legislation, it would be remiss of us not to take on board recommendations from the Scottish Land Commission.

We will move forward on that front. I said so in my opening statement. It is not happening at the pace that I would have liked, but we are where we are.

Andy Wightman: I confirm that the Scottish Land Commission has produced its report on compulsory sales orders. Everything is in place for you to take that forward, but I accept your comments about priorities.

The convener mentioned town centres. The town centre review that Malcolm Fraser led in 2013 highlighted the fact that there are 10,000 empty properties above shops in town centres. The minister mentioned Dumfries; there are many other towns where flats above shops are empty. What work is being done specifically to address that? Malcolm Fraser made recommendations on non-domestic rates that could incentivise business owners who are reluctant to let property above shops to bring them into use. Has anything further been done on that front?

Kevin Stewart: I do not have at my fingertips the recommendations from the 2013 report that Andy Wightman mentioned. I will look at that report again. When it comes to the efforts that the Government has made in recent times, the £50 million commitment for town centres and our efforts to get authorities to look at the town centre first principle give the impetus for local authorities to look at their town centres as a whole and to

move forward, utilising all the space in those town centres.

I encourage all local authorities to look at what is going on in Dumfries to see whether it would be suitable for them, and to utilise the resource and the flexibility that has been built in to ensure that such buildings come back into use.

On all those issues, Scotland's Towns Partnership is a good base from which local authorities can seek advice. Without doubt, it will support local authorities on those issues.

Annabelle Ewing (Cowdenbeath) (SNP): The minister says that looking at CPOs and CSOs in a more comprehensive way will require a lot of manpower and time. One issue that various local authorities have put to us is that they regard the CPO procedure as being overly complicated. Would not it be worth while to have officials reflect on and discuss with councils what they find to be particularly complicated and difficult, and then to drill down to see whether, in advance of a more comprehensive look at the whole matter, something can be done in the interim via secondary legislation to at least help the process on a bit? Councils consistently raised with the committee that point about the procedure being overly complicated and it is surely not beyond the wit of officials to identify some issues that could be dealt with.

I appreciate Mr Wightman's point—it would not simply be a question of guidance, but a question of changing processes so that progress could be made.

Kevin Stewart: I thank Ms Ewing for that question, because it gives me the opportunity to highlight the fact that this is not necessarily all about changing guidance or, even, about the amount of support that is being offered; it is also about a culture change being required around the use of CPOs.

We have looked at that guidance and have simplified it to a huge degree. As I said, we have also had training sessions with a number of folks in order to move things forward. Over the next few months, we will develop further technical advice on aspects of the CPO process and we will look at whether more training is required. We will, as always, consult key stakeholders to help us in preparing that advice and—of course—to provide us with the necessary knowledge about future legislative reform. I was in the east end of Glasgow yesterday; we touched on CPOs, which I have to say I did not expect. People in Glasgow are never backward at coming forward to let us know when they think that things are not particularly right.

I would be happy for any local authority to approach my officials to let them know where they

are struggling a little with all this. We will help where we can, although I think that a lot of this is about culture change, and we all have a job of work to do on that.

We need to look at what has happened in the past because, as I pointed out earlier, as a councillor—and I am sure that others round the table found the same—I found that there was no difficulty in using CPOs when it came to transport projects, but reasons were always given for why it would be unwise to do so when it came to housing and regeneration, and yet in certain areas there is very little difficulty at all, including for some major projects such as the Glasgow Commonwealth games village or Dundee waterfront. CPOs were used very effectively for those. Sometimes, such things are about leadership and embracing change so that we can move forward.

Annabelle Ewing: Is the minister aware of the Convention of Scottish Local Authorities having instructed or encouraged any consideration of whether confidence issues could be a reason for some councils not proceeding on what we could perhaps term the domestic front? If he is not aware of COSLA taking such action, is it possible for him to encourage COSLA to do that? If it is a question of a culture change being needed, the sooner the minister encourages COSLA to take such action the better, because then we can speed everything up a bit. Otherwise, it will take quite a long time to tackle the empty homes issue through CPOs.

Kevin Stewart: Off the top of my head, I cannot remember how long ago I wrote to COSLA and individual local authorities about the issue. I undertake to write to them all again to outline what we have done and the support that we can provide, and to see what they are doing in relation to cultural change.

Kenneth Gibson (Cunninghame North) (SNP): Good morning, minister. According to National Records of Scotland, there are 105,000 empty properties in Scotland, 24,471 of which have been empty for 12 months or more. There is a myriad of reasons why that should be the case. I share other members' disappointment on the issue of CSOs. As Andy Wightman pointed out, consultation was undertaken in 2015. There was also a manifesto commitment on the issue. Although we all realise that Brexit will occupy the minds of many of us—and no doubt the work of Scottish Government officials—is there any reason why legislation could not be introduced for the year 2020-21, by which time, one assumes, most of the effects of the Brexit fiasco will have subsided and we will be in a much more stable position, one way or the other?

For the communities that I represent, many of which are blighted by empty properties, that is

more of an issue than some of the matters that were set out yesterday in the programme for government's legislative schedule for the next year. Making use of empty homes could make a major difference to many people in many communities. Why is that not higher up the list of Government priorities?

Kevin Stewart: I hope that the Brexit fiasco will subside by 2021, but I am not convinced that that will happen. As the committee is well aware, I do not commit myself to anything unless I know that I can deliver it. Given where we are on the issue, it would be unwise for me to commit to introducing such legislation by 2021.

The Government always keeps such matters under review. Today, I have been open, honest and transparent about how it sees the issue at the moment. I understand the frustration that Mr Gibson has just expressed and the frustration of communities, and I want to do my level best to ensure that we do everything possible to bring empty homes back into use, but I am not going to make a commitment here today that I do not think I would be able to deliver on.

Kenneth Gibson: I understand the minister's position. He has been very open and frank, and the committee appreciates that. I clarify that, when I asked about the possibility of legislation being introduced, I was referring to the year 2020-21 and not 2021 itself. I realise that the minister is not in the Cabinet, but I urge him, when he discusses the issue with his colleagues, to stress its importance so that it might be included in the programme for government for 2020-21. Many people across Scotland would certainly appreciate that, so I am looking for a commitment on it. If the minister is unable to commit to introducing legislation, could he at least commit to pressing for it? If he were able to get that into next year's programme for government and have it delivered by the spring of 2021, that would be a real feather in his cap.

Kevin Stewart: Mr Gibson does not ask very much of me, does he? *[Laughter.]*

Like the situation with legislation and the Brexit scenario, some of the other matters that we have been discussing today are not straightforward. The Scottish Land Commission's proposals are extremely welcome, but they are not as simple as many people might think. We all have a duty to ensure that the legislation that we propose on such issues is absolutely right, because it will have to survive for many years. The obstacles are not just the parliamentary timetable and Brexit, although they represent a huge amount of the difficulty in all of this; I also have to ensure that my officials are doing everything that they possibly can, so that anything that we propose is absolutely spot on.

10:30

The Convener: I look forward to seeing you with that cap on, minister.

Before we move on to Graham Simpson, I want to go back to the point that Graham raised about Edinburgh and the empty homes officers. On 5 June, Andrew Mitchell from the City of Edinburgh Council told the committee that the council was actively recruiting an empty homes officer. I do not know where the council is with that, but I want to put it on the record that the council recognises the need for one.

Kevin Stewart: Ms Hepburn has just written me a note to say that we are aware that the council is doing that. The sooner it does so, the better.

I will use this opportunity to say again to the other local authorities that have yet to appoint empty homes officers that I hope that they, too, will be recruiting shortly.

Graham Simpson: Thank you for that reminder, convener. I had forgotten that point, so it is good to get it on the record.

I want to move on to the issue of council tax exemptions, which I think the minister referred to in his opening remarks when he said that the Government is going to have a review of council tax statistics. That does not necessarily mean a review of council tax exemptions, so perhaps the minister could explain what it means.

Kevin Stewart: We will look at all the issues in the round. Various statistics on empty homes are batted about. I have seen some members of the Opposition use statistics that include things such as tied homes and homes where folk are in care, hospital or prison. Those are still folks' homes, but some people say that they are empty. We will look at the statistics in the round.

Mr Simpson can be assured that we will also look at all aspects of the empty homes levy and how it is working. I think that we have put in place something that is extremely flexible. Local authorities that have not taken advantage of some of those measures should consider that to see what can be done.

Like the committee, I want to ensure that, as much as possible, we decrease the number of empty homes in Scotland. As I said, I welcome the committee's inquiry and I look forward with anticipation to your recommendations. You can be assured that I will consider all of them.

Graham Simpson: You will have been following the evidence that we have taken on the issue and will have heard, as we have, that the approach to the council tax exemption is inconsistent across the country.

Kevin Stewart: Yes.

Graham Simpson: We have heard that, where the levy has been introduced, that has been for very good reasons, but the way in which some councils are applying it is actually a hindrance in getting properties back into use. For example, if somebody has an empty property that they are trying to renovate and they are hit with a huge council tax bill, that can slow down or completely halt the renovation, which is not the intention. We have heard about that happening in a number of council areas. Will you look at that issue in the review?

Kevin Stewart: The levy was introduced with the intention that it would act as an incentive to private sector home owners to bring their properties back into use, rather than simply be a revenue-raising tool. The powers are discretionary and lie with councils, and rightly so. The Government is often accused of centralising. Councils should use the powers logically, and they should look at individual circumstances in some cases. I encourage those that have blanket policies, which often do not work, to look at their peers, see what can be done in order to get this absolutely right, and adopt a flexible approach that is right for everyone. We have already updated our guidance to clarify the flexibility that each local authority has. That flexibility and the policies that local authorities should put in place should meet the needs of their area and bring more empty homes back into use.

I will continue to look at all of this. I do not want to create a blanket national policy, because I do not think that that is the right thing to do. However, I hope that local authorities that might be implementing blanket policies—some might accuse them of using the powers to raise revenue rather than for bringing homes back into use—will look at the benefits of doing things in the way that exemplar authorities are.

Graham Simpson: We visited Kilmarnock, which has a blanket policy, and we visited a property that is being done up. The owner of that property bemoaned the fact that he had been hit with an extra bill, which was hindering the project. We heard evidence from South Lanarkshire Council, which also has a blanket policy and appeared to be in denial about its effects.

You seem to be racking up the number of things that you are going to have to write to councils about. Maybe you could highlight to councils that have blanket policies the effect of that and highlight best practice elsewhere.

Kevin Stewart: We can add that to the letter that I have already agreed to write. I have no problem with highlighting best practice. As things stand, the Scottish empty homes partnership and Shaheena Din highlight best practice to a great

degree. I have no problem with following suit in that regard.

Once again, I highlight to the committee and others out there that, where best practice is in play, we will see some real differences in communities. The Dumfries and Galloway scenario is the best example at the moment. The council has made good use of the discretion that is provided by the legislation, and it will use a proportion of the funds that it has acquired to support its empty homes work. That is what I want to see. Those folks who rely on blanket policies only are probably doing the folk whom they represent a disservice, and they should look at their policies.

We have refreshed the guidance, and we will continue to look at all of this. I am more than happy to highlight Mr Simpson's points to local authorities.

Annabelle Ewing: Does the minister feel that the best-practice approach should include an on-site inspection? We had an informal session with a number of folk, and one of their bugbears was the fact that with a number of local authorities there is no dialogue: they do not even come out and look at what they are pontificating about and are not interested. They are there to serve the public, so that is surely not good enough. I hope that the letter encouraging best practice will refer specifically to the advisability of being willing to go out and do on-site inspections.

Kevin Stewart: I will look again at some of the evidence that the committee has received, to see what folk are saying. I have not really looked at it over the course of the recess, so I will have another look. I will also encourage local authorities to get this absolutely right.

The Convener: When a council has a blanket policy, is there ever a requirement for an explanation of why it has such a policy and why there is no flexibility in the policy?

Kevin Stewart: No—that is not built in. I will look at all that again. I will not commit to anything here and now, because I do not want to come up with national blanket policies for such things. That is not the way to do it.

You can be assured that we will co-operate with Shelter and other partners to ensure that we highlight best practice and encourage local authorities to follow that best practice. Although we have already refreshed the guidance, we will, if necessary, do it again.

Andy Wightman: I will follow up on the council tax issue. Discretion has been provided to local authorities through secondary legislation. Would it be possible to—and will you—consider amending the secondary legislation? Perhaps, for example, it

could contain a provision to say that the discretionary powers should be used only when the council is satisfied that doing so would be an encouragement. In other words, it could provide statutory caveats to ensure that there is a process in place such that councils have to satisfy themselves of certain conditions before they impose the additional council tax. Would that assist?

Kevin Stewart: I do not want to overcomplicate things. We will look at that as part of the review.

The Convener: I have a couple of questions to ask about financial support. What consideration has been given to the introduction of further financial incentives to help more owners to bring their properties back into use? I suppose that that would include the rural and islands housing fund.

Kevin Stewart: Earlier, I mentioned the work that we are doing with stakeholders on housing to 2040. We will consider that as part of the review of our approach to housing.

Funding for repairs and renovations is a good example of an intervention that proved to be successful in some areas but struggled to get off the ground in others. Ms Hepburn and other officials are currently in discussions with a number of local authorities—including West Dunbartonshire Council on the loan-to-occupy model, Falkirk Council on the loan-to-sell model and East Ayrshire Council on the conversion of empty buildings to affordable housing—on how to make best use of the existing homes loan funding. We are keen to offer flexibility, which is one of the reasons why Ms Hepburn and I went to Falkirk to see whether flexibility could be built in, in order to allow the authority to do even more.

During our review, and before deciding how we will move forward, I intend to take stock of use of funds and to see what is needed. The data that is being gathered by the partnership will help us in that move forward.

As you know, convener, I like to see myself as a man of common sense so, if we can build in flexibilities that make differences, I will be happy to do that.

The Convener: How do you see the role, if there is one, of the Scottish Government's housing investment programme in supporting the return to use of empty properties?

Kevin Stewart: I want to ensure that local authorities have the flexibility to be able to use, for example, affordable housing supply money to tackle problems.

10:45

If local authorities think that the acquisition of empty homes is required in their area, because it is shown that there is a demand for those homes, there is, in the system, flexibility that allows local authorities to make those acquisitions. Over the piece, a number of local authorities have acquired homes—not necessarily empty homes, I hasten to add—for various reasons. My officials are always willing to talk to local authorities about flexibility. Obviously, we have to scrutinise what goes on in that regard, but we are flexible.

The Convener: I have two final questions about data. Will you provide us with more information on how the exercise will provide a more accurate picture of empty homes across Scotland? Does anything further need to be done?

Kevin Stewart: I am happy to write to the committee about data, so that members have all the knowledge at their fingertips. If the committee requires anything else, I am, as you well know, more than happy to provide it.

The Convener: Thank you.

Would you find it helpful in your work on empty homes if all local authorities reported to you regularly on their progress in bringing empty homes back into use? If so, how could that information be incorporated into the national performance indicators for measuring progress on housing and regeneration outcomes?

Kevin Stewart: We already get a fair amount of data through the partnership and various other submissions. I do not know whether incorporating the information into the national performance indicators is necessarily a requirement. I do not like too much bureaucracy, as folk well know, but we will reflect on all those points as we move forward with the review, to see whether more data is required.

The Convener: I thank the minister and his officials for attending today's session. That was our concluding evidence session on empty homes in Scotland; the committee will consider our draft report to Parliament at a later meeting.

10:47

Meeting suspended.

10:49

On resuming—

Subordinate Legislation

Building (Scotland) Amendment Regulations 2019 (SSI 2019/210)

The Convener: Item 3 is consideration of a Scottish statutory instrument, as listed on the agenda. I refer members to paper 3, which contains further detail. The instrument has been laid under negative procedure, which means that its provisions will come into force unless Parliament agrees to a motion to annul it. No motion to annul has been lodged. The Delegated Powers and Law Reform Committee considered the instrument at its meeting on 25 June 2019, and determined that it did not need to draw Parliament's attention to the instrument on any grounds within its remit.

As members do not have any comments on the instrument, does the committee agree that it does not wish to make any recommendations in relation to the instrument?

Members *indicated agreement.*

10:50

Meeting continued in private until 11:06.

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