



OFFICIAL REPORT
AITHISG OIFIGEIL

Local Government and Communities Committee

Wednesday 13 November 2019

Session 5



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LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

28th Meeting 2019, Session 5

CONVENER

*James Dornan (Glasgow Cathcart) (SNP)

DEPUTY CONVENER

*Sarah Boyack (Lothian) (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:

Michael Cameron (Scottish Housing Regulator)

Tom Mason (North East Scotland) (Con) (Committee Substitute)

George Walker (Scottish Housing Regulator)

CLERK TO THE COMMITTEE

Peter McGrath

LOCATION

The James Clerk Maxwell Room (CR4)

Scottish Parliament

Local Government and Communities Committee

Wednesday 13 November 2019

[The Convener opened the meeting at 09:45]

Decision on Taking Business in Private

The Convener (James Dornan): Good morning, and welcome to the 28th meeting in 2019 of the Local Government and Communities Committee. I remind everyone present to turn off their mobile phones. We have received apologies from Annabelle Ewing and Graham Simpson. I welcome Tom Mason, who is a substitute for Graham Simpson.

Agenda item 1 is to decide whether to take in private agenda item 3, which is consideration of the evidence that we will hear today from the Scottish Housing Regulator. Do members agree to take agenda item 3 in private?

Members indicated agreement.

Scottish Housing Regulator: “Annual Performance Report & Accounts 2018/19”

09:45

The Convener: Agenda item 2 is consideration of the Scottish Housing Regulator’s “Annual Performance Report & Accounts 2018/19”. Members might be aware that the Scottish Housing Regulator has undertaken some work on Glasgow City Council’s homelessness services. The committee should also be aware that there are live legal proceedings between Shelter Scotland and Glasgow City Council regarding the council’s homelessness services, so members should avoid discussing that on-going case.

I welcome from the Scottish Housing Regulator George Walker, who is its chair, and Michael Cameron, who is its chief executive. I invite the chair to make some brief opening remarks.

George Walker (Scottish Housing Regulator): Good morning. Convener, deputy convener and members of the committee, thanks very much for inviting us along again to present the annual report and accounts. I will highlight one or two areas for you.

Our new corporate plan for 2019 to 2022 follows on from the annual report and sets out our priorities for that period. I do not think that members will be surprised to hear me say that our key priorities are tenant and resident safety, homelessness, affordable rents, value for money, and the governance and financial health of registered social landlords, which we have discussed with the committee previously.

We are also focused on embedding a new regulatory framework, which came into operation on 1 April this year. Under our new framework, we have put assurance and self-assurance at the heart of our approach to regulation. As we speak, we are actively using the first set of landlords’ annual assurance statements, along with a host of other intelligence, to inform a risk assessment of landlords. We will publish the outcome of that work in March. That will include engagement plans for every landlord in Scotland, as set out in the new framework. For the first time, we will provide a regulatory status for each RSL.

Over the summer, we worked closely with the Scottish Federation of Housing Associations, the Glasgow and West of Scotland Forum of Housing Associations and the Association of Local Authority Chief Housing Officers to develop and publish a toolkit to help landlords to get the assurance that they need that they are meeting all their responsibilities, as set out in their annual

assurance statements. We are continuing to work with those partners to develop the toolkit further, so we are working with the sector.

I highlight that RSLs and local authorities continue to show strong performance against the charter and its outcomes. The single biggest thing to highlight is that tenant satisfaction remains at a high level, with nine out of 10 tenants satisfied with the overall services with which they are being provided. That is a positive story.

However, we have recently talked about the challenges for some tenants, particularly in affording their rent. Our national research panel includes about 450 members. About two thirds of those participating tenants and service users were concerned about future rent increases and rent affordability. In the past few weeks, Michael Cameron and I have had meetings with regional tenant organisations, and they have raised the same issue with us. That is a matter to which we will need to pay some attention.

To set that in context, the average rent increase by social landlords in Scotland in the past year was 3.7 per cent, which was quite comfortably ahead of inflation. Landlords tell us that they plan to increase rents in the coming year by about 3 per cent. We have urged landlords to take seriously tenants' concerns about future affordability and to vigorously pursue cost efficiency and value for money.

We continue to use the statutory intervention powers that Parliament has given us, but I am pleased to say that we are using them against fewer organisations. We are currently intervening in just four RSLs. Since we last met the committee, we have published, recently, four new accounts of our interventions and, indeed, a lessons learned report, which the committee has likely seen.

That is a quick summary. I am happy to hand back to the convener and to take any questions that the committee has.

The Convener: Thank you very much.

What outcome do you hope to see from the new assurance standards? How will they improve things?

George Walker: The board and the executive team were really looking for a significant upstep among organisations to become more self-aware. As the committee will likely know—I think that we have said this to it before—we have taken statutory intervention in only a small number of cases, but they are important ones. In general in those 12 cases, the interventions have been to do with governance and financial issues.

What we are looking to achieve from the new framework is that all the organisations are self-

assured—that they have thoroughly gone through the process of assuring themselves, their boards and executive teams that they comply with the legislation, regulations and charter standards. We are looking to see an uptick in that. That is the overriding thing that we are looking to do.

We engaged across the process, which was really interesting. We spent an 18-month period talking to the sector about how the new framework should work. We got right across Scotland, from Lerwick to Moffat, and to every major city in between. At the end of that, most of the partners across the sector responded pretty positively to what we suggested. That was great and really useful.

As a wee reminder of the key elements of that, I note that there was a lot of support for the cornerstone of annual assurance statements, which I have touched on. Equally, there was a lot of support for the idea of publishing engagement plans for every single landlord in Scotland so that there would be enhanced transparency, and, indeed, for the idea of publishing a regulatory status judgment on each landlord.

I could go into a lot more detail, but I will leave it there. I do not know whether Michael Cameron has anything to add to that.

Michael Cameron (Scottish Housing Regulator): The only thing to add is that the real driver for us is promoting a culture of assurance, openness and transparency among landlords on the basis that it will be a solid foundation for good performance and the delivery of outcomes for tenants and others who use their services.

The Convener: Is transparency likely to be the big change for landlords and tenants as a result of the regulatory review? Is there an implication that there will be slightly more workload to put that in place?

George Walker: We hope for enhanced transparency, and we are seeing some signs of it.

We are very aware of the regulatory burden, and we are not trying to create a bureaucracy for anybody. As an example, the ARC—the annual return on the charter—was reviewed, and we removed about 30 per cent, or a third, of that.

We believe that the annual assurance statements, for example, provide much enhanced transparency, because boards sign them off and say that they believe that they are fully compliant or that there are areas that they are working on. We are, of course, only asking organisations to give themselves self-assurance in all the areas in which they already had an obligation to do so. As such, it is about enhancing transparency. However, we are very aware of the regulatory burden issue and not just piling work on to people.

Alexander Stewart (Mid Scotland and Fife)

(Con): In Mr Walker's opening statement, he talked about the interventions that have taken place in a number RSLs, which are sometimes necessary. A positive and constructive relationship is important, because it is a key factor in determining whether investors will invest in RSLs. Those interventions are positive. How have you incorporated the lessons that have been learned from statutory interventions?

George Walker: That is a very good question. I have with me the wide-ranging lessons learned report that we published, but I will not steal Michael Cameron's thunder. He might want to comment on the lessons that have been learned and how we have applied them.

Michael Cameron: We published the "Lessons from Statutory Intervention" report in December last year. It was found that the key drivers for intervention were matters that we have discussed with the committee previously: significant weaknesses in governance and failures in leadership in organisations, and cultures that have often left them vulnerable to poor behaviours or incompetence. We found that, in almost all the organisations, the governing bodies—those responsible for overseeing the organisation—often did not know what they did not know. George Walker has touched on that before.

One of the big lessons for us was that we needed to shift our framework to one that supports governing body members to be able to get the assurance that they need that their organisation is performing as necessary to deliver good outcomes for tenants and other service users. The assurance statements are an important part of that. Equally important is the work that we are doing to support the sector to develop guidance that would be available for governing body members and others to use. The work that we have done with the bodies that represent landlords to develop a toolkit—George Walker touched on that—has been well received in the sector.

Those are the twin approaches: setting out clear regulatory requirements for self-assurance and transparency, and ensuring that support is provided in the form of guidance and other tools through the regulatory bodies.

Alexander Stewart: As you have identified, it is all about ensuring that people know what the rules are, what governance and scrutiny might be needed, and what people require to do to ensure that their mission statement and everything else that they have in place is correct. There are some good examples out there already. People can be shown where they need to improve in areas in which others are doing things in a much better or much more professional way, which they could copy or substitute.

Taking all that into consideration, does the regulator do enough to consider value for money when it is using statutory powers? How that is managed is a key issue. Is there a greater need for transparency and oversight of the costs incurred when a statutory intervention is taking place?

Michael Cameron: That is clearly a very important element. Statutory intervention has consequences and costs, and those costs fall on the organisation that is subject to the intervention, as set out in the Housing (Scotland) Act 2010.

We work hard to ensure that we minimise the impact of any statutory intervention in terms of cost. However, I am mindful of some of the feedback that we have had from organisations that have been through statutory intervention. They recognise that the cost of the weaknesses continuing in the organisation would have been considerably more significant, and they see some cost benefits coming out of the improvements that have been delivered through statutory intervention.

Nonetheless, there are impacts, and we want to create through the new regulatory framework a situation in which we have to use those powers less frequently. The best way to avoid some of the consequences of a statutory intervention is not to have the organisation move to a place where one is necessary.

Alexander Stewart: Have you started any work with the Scottish Federation of Housing Associations and the Glasgow and West of Scotland Forum of Housing Associations to progress the situation? If not, when would such work potentially begin?

Michael Cameron: We have regular engagements with both those organisations and with the Association of Local Authority Chief Housing Officers to look at what work we can do in our own areas and jointly to ensure that the sector is resilient and is performing as well as it possibly can so that statutory intervention from the regulator becomes less frequent and less necessary. The toolkit that we have developed is an obvious output of that, and we continue to work with the representative bodies to see how we can enhance that and put out additional guidance for landlords. One area that we will focus on most immediately is equalities and human rights.

10:00

The Convener: I see that nine local authorities did not submit their annual assurance statement on time. Can you give us an update on that and tell us why that came about and what you intend to do about it?

Michael Cameron: Nine landlords in total—two registered social landlords and seven local authorities—did not submit on 31 October. A number of them have since done so, and we expect some more to do so before end of the month. The reasons for those delays included timing issues, such as the dates of local authority committee meetings. We are engaging with all the organisations that did not submit on time in order to ensure that, next time, their calendars and diaries are such that that does not become a problem.

There are only three landlords that are in a position in which they do not have an annual assurance statement to provide to us, and we are engaging with them directly.

The Convener: Okay. Thank you.

Andy Wightman (Lothian) (Green): I have some questions on homelessness, but I will ask them after Sarah Boyack has asked her questions.

I want to consider the question of the Government's proposed rapid rehousing programme—housing first—which the committee was concerned with a couple of years ago. I note that the latest report of the homelessness prevention strategy group contains an action on rapid rehousing transition plans and discussions with the Scottish Housing Regulator about alignment of its engagement with them. Can you say something about those discussions and say what impact they will have on RSLs and councils?

George Walker: I will answer that and then hand over to Michael Cameron. Some of the discussions originated at the board level, and Michael Cameron can add more on the detail of the issue.

When rapid rehousing plans emerged—to their credit, Scottish Government officials shared quite a lot of information with us about the approach that was taken—we realised that there was a potential for conflict between what the regulator was doing and what the plans might say, particularly with regard to homelessness. We wanted to avoid a situation in which anyone who we were regulating and with whom we were engaging on homelessness would think that it would be okay to come to us to say that, because of the rapid rehousing plan, we should not worry about what they were doing but should just come back in five years' time. The board had a discussion about that, and we called in officials to talk through some of those concerns—I do not think that I am sharing any secrets if I say that Michael Cameron and I also met the minister to talk about those concerns.

We thought that it was important to raise those concerns, albeit that we did so from the point of view that rapid rehousing plans seemed like a good thing. There is certainly a level of detail in

the proposals that was not there before, and that level of transparency is quite helpful. We were simply flagging the fact that it will be useful if the issue is considered in a sensible way, and we were flagging to the sector the fact that, when we discuss homelessness with anyone we regulate, the answer should not be that everything is okay because there is going to be a rapid rehousing plan and that we should just come back in five years' time. Indeed, we said very publicly that, if we felt that there was anything in any rapid rehousing plan that did not meet the regulator's requirement for a given landlord or did not produce a set of appropriate outcomes, we would criticise individual organisations for that. We were clear that we did not want to leave anyone thinking that the regulator would just go quiet on the subject of homelessness because rapid rehousing plans would take over.

That is the genesis of how the issue came up and how we thought about it at first.

Michael Cameron: As George Walker said, our focus will remain principally on the outcomes for people who are homeless or who are threatened with homelessness, so we will be particularly concerned with access to services, access to temporary accommodation and the permanent solutions that are being found for people who are homeless. We recognise that the rapid rehousing transition plans are now the focus for most local authorities, and that they are thinking about how they will achieve those outcomes and make the changes that are necessary to ensure that they continue to deliver on those outcomes.

We are considering the rapid rehousing transition plans as we engage with each local authority. However, as George Walker said, we will remain principally focused on the delivery of the outcomes, and particularly the delivery of the statutory duties that local authorities have towards people who are homeless or who are threatened with homelessness.

On the question of the impact on RSLs, I think that rapid rehousing transition plans provide an opportunity for local authorities to adopt a different footing and to address the areas where the contribution of RSLs needs to be more significant than it currently is. We have already reported that most RSLs make a significant contribution to supporting the local authority to deliver on its duties, but that has not necessarily always been the case universally.

Andy Wightman: Is it fair to say that the regulator's approach to the issue has been to assess the potential impact of the change in policy on your functions or on the perception of your functions, and that you have not identified any particular issues in relation to the responsibilities that have arisen as a consequence of the rapid

rehousing transition plans? Is the issue more to do with ensuring that those responsibilities do not get in the way of you continuing to do your job and to focus on your outcomes?

George Walker: I think that that is a good characterisation of our position. We were presented with a new policy initiative that, on the face of it, seemed a good thing—anything that puts in place a transparent and open plan for rehousing people strikes us as a good thing—but we saw the potential for a bit of confusion around that, which is why we had open discussions with the officials, the minister and others in the sector. We wanted to ensure that that confusion did not arise, because the nature of what the Government is trying to achieve and the nature of what a regulator has to do are a wee bit different. It came down to a question of co-ordinating what was being done and making sure that all that was as effective as it could be.

Tom Mason (North East Scotland) (Con): I have three questions on the subject of rents. Do you expect the rise in rents that has occurred over the past year to continue under the plan that you have got?

On whether rents were perceived as being affordable, only around 83 per cent of tenants said that their rent was good value for money. Given that this type of housing is non-market orientated, as it were, surely that satisfaction rate should be much higher, because the rents cannot get much cheaper than they are. Why is that figure still only around 80 per cent or so when it should be around 95 per cent?

How do you communicate rent increases to tenants, and how do you establish what they perceive to be affordable? How do those discussions take place?

George Walker: I touched on rent increases in my opening remarks. In the past year—that is, the year ending in April; as you know, we are always a year behind with the year that we are reporting on—there was a 3.7 per cent increase in rent, and there is a projected 3.3 per cent rise this year. Both those rises are above inflation. That is the highest that the rises have been since we began monitoring them. To give you a bit of context, the highest rent increase in Scotland was 6.9 per cent, which is pretty significant.

We are paying attention to affordability. We are not saying that rents are too high, because, in fact, we have given evidence to the committee before that says that, at any given point in time, most people tell us that the rents are affordable. However, from the two groups that I talked about—the tenant panel and the registered tenants organisations, with which I have had meetings in the past month—we know that people

are beginning to worry about affordability as a result of future increases, for the reasons that we know about.

To add a wee bit more context, 80 per cent of landlords in Scotland increased rents above inflation last year. We just ask people to be aware that tenants have concerns about that, because 80 per cent is a big number of landlords and some of the rent increases were significant. We ask landlords to be aware that there are tenant sensitivities about that, and we ask them to pursue value for money and cost efficiencies wherever they can, which is not to suggest that many do not already do that.

A lot of our engagement and communication with tenants on such matters is through back and forth with our tenant panel. We also engage significantly with the registered tenant organisations. We do not have the ability or budget to go out and talk to every tenant, so we focus on those areas, then move on to engage with some of the larger tenant organisations, such as the Tenants Information Service and TPAS—tenant participation advisory service—Scotland. For example, I will make a keynote speech at the TPAS Scotland annual conference in December and will talk to tenant representatives and tenant activists to ensure that we are getting the message out about our concerns.

Michael Cameron: Our sense is that, as things stand, most homes are affordable for most people. However, given the increases that we have seen and the projections for future increases, we are raising concerns about future affordability. It is about what landlords are doing to keep rents affordable. What is an affordable rent? That is a complex matter and a lot of issues—benefits, tax credits and trade-offs with fuel costs—interact and have an impact on what is affordable in any particular context.

Not all landlords start from the same place. Some have significantly lower rents than others and so might be in a position to increase rents while keeping them affordable. The simple arithmetic is that, if rents continue to increase above inflation, they are likely to become less affordable for people. Our message to landlords is to consider future affordability when looking at rent increases. In particular, we want them to ask themselves whether they are doing everything possible to drive costs out of their businesses before they pass them on to their tenants.

Sarah Boyack (Lothian) (Lab): I want to talk about homelessness and local authorities, which the committee has worked on in the past. In particular, I want to get your reflections on two reports. The first is an update of work that the SHR did last year on the experience of people who are homeless. The other is Audit Scotland's

“National scrutiny plan”, which highlights the scrutiny that the regulator is undertaking.

What is your take on where local authorities are with their work on homelessness and supporting people? What are the quality and appropriateness indicators for the services that local authorities provide to meet the needs of people who are homeless? There have been criticisms of their effectiveness and 22 local authorities are being scrutinised on the quality of their homelessness services.

Michael Cameron: In our annual report, we reported that, in the previous year, we engaged with 20 authorities on the quality of their homelessness services. In this current year, we are engaging with 23 local authorities on homelessness. There are a few key aspects on which we engage with them. We are engaging with 18 local authorities on access to services and how easy it is for people to get help at the point of need, with 20 authorities on the quality of the assessments that they make against statutory duties and requirements, with 15 local authorities on access to and the quality of the temporary accommodation that they provide, and with 22 local authorities on the final outcomes for people who are homeless.

We recognise that local authorities face a lot of challenges and, undoubtedly, some of the impacts of the roll-out of universal credit are making things more challenging still. The rapid rehousing transition plans have put a lot of the work and the discussion around homelessness on a different footing, which is to be welcomed. Homelessness, as you can tell from the numbers that we have touched on, remains a key priority for us. We are very mindful of the work that has been done by the Scottish Government and local authorities around rapid rehousing. Our principal focus will remain on the journey of the homeless person through that system to ensure that they can access the help that they need at the point that they need it, and to ensure that local authorities are discharging all the duties that they owe to that person.

10:15

Sarah Boyack: That is useful and it highlights the extent to which there is a crisis out there and that it is a struggle. In our budget scrutiny this year, we looked at preventative spend, so I have that frame in my head as well. What will you be doing as a regulator on homelessness in the coming months? Clearly, what you described is quite a high level of intervention with a lot of local authorities. What outcomes or improvements of services will you be looking for from local authorities?

Michael Cameron: The main focus of our engagement with local authorities on homelessness will be to get the necessary assurances that local authorities are in a position to discharge the statutory duties that they owe to people who are homeless and that, in so doing, they are providing the appropriate forms of assistance. As I have said before, it is about access to services and the statutory assessments process—we monitor the speed and effectiveness of those assessments—access to and quality of temporary accommodation; and how quickly people are being moved into permanent homes and found permanent solutions. Those are the key things that we will continue to focus on over the coming period.

Sarah Boyack: That is very useful and I am very keen to come back to it, because people who are incredibly vulnerable not getting timely support has certainly been an issue in my case work.

I also want to ask about the work that has been done with Gypsy Travellers, which is another issue that came up in Audit Scotland’s “National scrutiny plan”. What engagement does the regulator have with the Gypsy Traveller community to look at site conditions and the quality of what people are having to experience?

George Walker: You are right to say that that is an issue that came up. You might remember that, in June 2018, we published a significant review of where the providers were with Gypsy Traveller site standards—I launched that review, actually. When we launched the review, there really was not a very nice picture, to be honest. Fewer than half of the sites met the standards. I suppose that I should be fair and stress that those are minimum standards. They are pretty rudimentary and no one would claim that they are aspirational; indeed, we understand that the Scottish Government is looking at what it might do to enhance them. In June 2018, fewer than half the sites met the minimum standards; today, by the end of October this year, 23 of the 28 sites were in compliance. We have continued to engage with Gypsy Travellers and, more importantly for the standards perhaps, with the four landlords that run the five sites that are not in compliance. One of those sites, which happens to be in the Scottish Borders, was expected to be in compliance by the end of October. The landlord has just told us that that will take a few more weeks, but only a few, so we will be down to four.

We are engaging with the community in a number of ways. We had representatives of the Gypsy Traveller community in to meet us two months ago, I think, and Michael Cameron led that discussion. We have representatives of the Gypsy Traveller community on our tenant panel, and we have tried to get more members on that through a

recruitment exercise. We engage in a number of ways, through the panel and with representatives.

Finally, and on a personal note, I have gone out to Gypsy Traveller sites. The last one that I visited was a non-compliant site in Dumfries and Galloway. It was a joint visit with the minister and John Mills, who is one of the co-chairs of ALACHO. We are all quite focused on the issue, and it was interesting to visit and get an understanding of what the tenants on that site felt about it. That is just another example of how we engage with the community.

Sarah Boyack: That is useful. My final point is that the number of sites that are not compliant is now down to quite a small number. How do you keep the monitoring process going to ensure that the remaining sites are brought into compliance and are of a good standard and quality for people to live in?

George Walker: That is a fair question. That is a matter of on-going regulatory engagement. I am not trying to pick out Scottish Borders Council, but I have already said that the site there will be compliant by the end of October, plus a few more weeks, so there is some reassurance that that is moving forward.

Aberdeen City Council has told us that it will not comply until June 2020, so it has a timescale and a plan. Aberdeenshire Council expects to comply by December this year.

Dumfries and Galloway Council faces some challenges. It tells us that one of its sites is expected to comply at the end of the year or into early next year but, in the case of the site that I visited, the council will have to decide on a strategy for the way forward because there are particular issues with the site that mean that it is a large challenge to make the site compliant. I am guessing that, because Dumfries and Galloway Council will have to revisit its strategy, that site might be the outlier.

That on-going dialogue and engagement is the day-to-day work of a regulator that we will continue to do.

Sarah Boyack: That is helpful; thank you.

Andy Wightman: Under section 2 of the 2010 act, one of your statutory objectives is safeguarding and promoting the interests of persons who are or might become homeless. It is not clear from your annual report how you do that. On page 17 of the report, you say that you have some

"Insight into people's experiences of homelessness services",

and on page 16, you talk about the services that are provided by local authorities. How deep and

extensive is your engagement with people who are or might become homeless?

Michael Cameron: We have an annual process through the national panel of tenants and service users, which includes people who are either experiencing or have had lived experience of homelessness. We use that to get a better understanding of the priorities of those people for the delivery of the homelessness service to them.

When we are engaging with a local authority, if there are opportunities for us to engage directly with homeless people, we will do that. Principally, however, we look to the landlords—the local authorities—to demonstrate how they are engaging with the users of the service to understand properly what their requirements, needs and priorities are, and what they see as any improvements to the service that are required. We look to use local authorities' measurements of satisfaction with their service delivery.

That is how we get a sense of what is key and important to people who use local authorities' services. As I have said, our principal reason for engaging with local authorities is to help with the quality of the homelessness service.

George Walker: I would like to add a couple of quite interesting things to that. When I am on landlord visits or we are talking to groups of landlords, sustaining tenancy comes up quite a lot. Many landlords out there do a lot of work on that. Is it perfect? No; nothing ever is, but a lot of landlords do a lot of work on sustaining tenancy. That is a big part of the discussion that we have with landlords.

The board of SHR now has a member who has some lived experience of becoming and being homeless, and that will give us some extra insight. I am delighted that that is the case, and I would love to claim the credit for it, but it is the minister who makes the appointments. I was lucky enough to be on the appointment panel. When that young woman came through, the panel was very supportive, and the minister appointed her. I think that will give us an extra bit of insight. In some of the early board meetings that we have had, we are already seeing that subject coming just that little bit more to the fore. I am not suggesting that we were ignoring it before, but when we have somebody on the board who has lived experience in such an area, it helps to focus the mind.

Andy Wightman: So, your principal means is via the members of the national panel of tenants and service users. You have said that, through your work with local authorities, if there is the opportunity, you will do some engagement with homeless people. That is ad hoc. You engage with local authorities on their services, but your principle method of engagement with people who

have experienced homelessness is with panel members. For how long do the people whom you recruit to join the panel sit on it, typically?

Michael Cameron: It can vary from a year to three or four years.

Andy Wightman: A lot of people who are homeless come in and out of homelessness on very rapid cycles. One of your statutory objectives is

“to safeguard and promote the interests of persons who are or who may become ... homeless”.

Can I suggest that you perhaps need to do more to focus on that objective to

“safeguard and promote the interests”

of those persons?

Michael Cameron: That is absolutely at the heart of what we do. We would look for all opportunities to get as good an understanding of the interests of those individuals as we possibly can. We will continue to look for other opportunities to do just that.

Alexander Stewart: Local authorities are increasingly expected to manage and secure accommodation for individuals. In your report, you talk about the quality of temporary accommodation. That is a major issue in some council areas, as there seems to be a vast range of quality in accommodation. Some councils have an excellent standard, while others are finding it difficult to find sustainable temporary accommodation of the quality that is needed. How are you supporting or managing that situation, while investigating where the bar is being set? Many councils are achieving a level over the bar, but some are well beneath the bar.

Michael Cameron: The quality of temporary accommodation is unquestionably one of the key things that comes through in our assessments of local authorities, and it is an area of significant focus for us. There are a number of policy developments in that regard. The Scottish Government recently announced the adoption of standards for temporary accommodation—they are advisory standards at the moment, with an objective to move them on to a statutory footing. When those standards are moved on to a statutory footing, we will see it as within our role to monitor performance against them.

This is a developing area, it is safe to say, and we will consider how we adjust our approach to regulation when the standards become an obligation on landlords.

George Walker: We have had discussions with both the minister and officials on that whole issue regarding the new standards. As the regulator, we view the standards as a significant step forward.

We are charged with being proportionate, and it is so much easier to demonstrate that when there is a clear set of standards in place, which we can use to rigorously monitor, assess and report on. We see that development as a very helpful thing.

Kenneth Gibson (Cunninghame North) (SNP): One of the statutory underpinnings of the regulator is that you shall

“safeguard and promote the interests of current and future tenants”.

Since I was first elected as a councillor in 1992, the issue relating to housing that has been brought to my attention the most has been that of alleged antisocial behaviour. What are the trends in the number of cases being brought to the attention of social landlords? How have things evolved or changed over the years as regards the number of cases being brought and how they are being dealt with? Is there a significant difference of approach between RSLs and local authorities?

Michael Cameron: I do not have the statistical information in front of me, but I can certainly get that for the committee. We annually monitor information from local authorities and RSLs on antisocial behaviour cases and their outcomes, so we can provide that information.

The Convener: Please do.

10:30

Michael Cameron: It is a live issue for individuals and communities that are experiencing that behaviour. It is not necessarily something that comes through significantly in the risk assessment as being a major problem. Most local authorities and RSLs have well-developed approaches to dealing with antisocial behaviour. It usually involves co-ordination with a range of agencies, not just the landlord, because the landlord is able to act only on some aspects of antisocial behaviour, not the full range of behaviours that can impact on individuals in the community. I am happy to pull that information together and provide it to the committee.

Kenneth Gibson: Okay, but is there a difference in approach between RSLs and local authorities in terms of the outcomes? I have a couple of live cases—I always have a couple of live cases; I cannot remember a time when I did not have such cases. One of the reasons that they are live cases is that, for the people who are the victims of antisocial behaviour, it seems to take an inordinate amount of time to resolve the cases.

For example, people could be phoning the police to come out twice a week and reporting to the antisocial behaviour team and so on week after week. They might be doing that for months. Then, for a couple of months, they do not have

any cause to complain. When it restarts, they get told that it has not been a problem for the past couple of months. However, they had months of months of that behaviour before then and it has restarted. You end up with cases going on for two or three years and people's lives are ruined, frankly. That is why I have raised this issue. It is an important, critical issue for the individuals concerned and there is a real worry that these issues are not being addressed timeously.

For instance—

The Convener: Keep it short, Kenny.

Kenneth Gibson: There is a couple whose lives have been made a complete misery by someone who plays music at all times of day and jumps about in big, heavy boots, keeping them awake at night. When the couple complained to the council, the council told the person who was supposedly the perpetrator that noise-monitoring equipment was being put in, so the person was as silent as a mouse for a couple of weeks. Bizarrely, there was no incidence of noise. However, half an hour after the equipment was taken out, the noise started again.

Is there a model of best practice that can be used across Scotland, either in RSLs or in local authorities, to help to alleviate the suffering of people who are experiencing what are, from their perspective, significant problems?

Michael Cameron: There are models of best practice and they are well understood by social landlords in general. One challenge for social landlords is around the limitations on the tools that are available to them to address this issue. The most obvious option is the legal route, which requires the gathering of a significant volume of evidence to present to courts so that action can be taken. Whether that is to seek an antisocial behaviour order or to initiate eviction proceedings against perpetrators in the more significant cases, it is not a simple option for landlords to take.

It is not a straightforward process from landlords' perspective, but I absolutely recognise that, for the individuals who are at the receiving end of antisocial behaviour, it can feel very frustrating and difficult.

Kenneth Gibson: I have one last question on this—

The Convener: I will let you come back in in a minute, Kenny.

Kenneth Gibson: Sorry.

The Convener: When you are writing to us with the information that you have said that you will provide, can you also answer Kenny Gibson's question about the difference in practice between RSLs and local authorities and give us the

examples of best practice that you were talking about?

Michael Cameron: I am certainly happy to do that. I am not aware of any significant difference in practice between local authorities and RSLs in that regard. They both operate under the same legislative framework, and the range of tools that are available to them is broadly the same. Local authorities might have more immediate access to other tools and resources within the broader council set-up, but most landlords pretty much take the same approach as that taken by local authorities.

The Convener: It would be interesting to see whether the outcomes are the same for both.

Kenneth Gibson: Is there any way in which the legal framework could be improved? Obviously, everyone is innocent until proven guilty. However, some of the people who come to me are quite elderly—maybe in their 70s or 80s—and just want a quiet life, but they have a couple next door to them who are causing havoc, which could involve late parties, allegations of drugs, fighting in the streets and so on. It can be a nightmare situation. How can we shift the balance towards the victim? How can we improve the legislative framework so that, whatever the outcome of an investigation, the process is expedited rather than taking months and months? Frankly, such issues take years off people's lives. How can we improve things?

Michael Cameron: There are people who are better qualified than I am to comment on potential improvements to the legislative framework and the legal process. Things work best when the range of agencies that have a role and an interest in the matter work together effectively. Unquestionably, that delivers the best and speediest outcomes. That is what most landlords try to achieve, although it might not necessarily work that way. All organisations are under significant pressures in relation to availability of resources, but co-ordination of response delivers the most effective outcomes.

George Walker: Interestingly, that issue came up at a couple of the 10 consultation events that we held across Scotland on the framework, which we talked about earlier. It was not a huge part of the discussion, because it was not a huge part of our proposals for the framework.

To be clear, I am just sharing anecdotal evidence with the committee, but when the issue came up, a number of tenants commented that there were more effective results when a co-ordinated multi-agency approach was used, as Michael Cameron said. Landlords and the police were mentioned and, interestingly, so were social services. I recall one very good example of things working best when agencies got together and co-

ordinated their work, whereas it perhaps did not work when individuals tried to do it. I want to be up front in saying that that is entirely anecdotal evidence, but it was an interesting discussion.

Kenneth Gibson: I do not think that anyone wants to go down the road of evicting people if there are other solutions. Mediation has been mentioned, but some people clearly do not want to be involved in that. Thirty-odd years ago, I was involved in a case in which I went round to remonstrate with the person. They did not realise that they were causing so much noise, and it stopped after that and there were no further problems. Is there any evidence on how successful mediation has been? Is it being used more and more? People might not realise that they are causing problems until the police knock on their door. Sometimes, those things can escalate—

The Convener: Let the witnesses answer, Kenny.

Michael Cameron: I do not have any immediately available or recent evidence of the effectiveness of mediation. That is one of the tools that is available to landlords, and it is often employed early on, once a problem has been identified. Mediation would not be appropriate for all aspects of antisocial behaviour, but the tool can be particularly effective in the type of examples that have been highlighted, such as those involving lifestyle clashes.

The Convener: It would be good if Mr Cameron could send us the information that he has. Kenneth Gibson has raised an important point, and I have no doubt that we will raise it with other bodies.

Tom Mason: As a local councillor in Aberdeen, I endorse entirely everything that Kenneth Gibson has said. Around 50 per cent of my postbag is taken up with complaints about disruptive neighbours in one form or another. The issues are exacerbated in a mixed tenement where there are private owners and council and housing association properties. Things may work when everybody co-ordinates together, but in my experience they rarely do. In fact, as far as I can see, they never do, because each organisation has a different overall objective and those objectives might not match at a particular point. Something needs to be done about that; I could retire from the council quite happily if that was the case.

The Convener: We all have to work together to ensure that Tom Mason can retire from the council as soon as he possibly can.

Tom Mason: I have one more main point. Have you taken into consideration anywhere the issues around empty accommodation, including quantity

and turnover and the re-letting of properties in general? I do not see any information on that.

Michael Cameron: We monitor landlords' performance on re-letting empty properties. We have information on the volume, and we also measure the rent that is lost as a consequence of homes being left empty. I am more than happy to get that information to the committee.

The Convener: Thank you.

I have a couple of further questions. Page 25 of the annual report sets out a number of challenges, risks and uncertainties for social landlords. One is the desire to see

“transparency on costs and value for money”

from RSLs. What particular cost pressures do they face? Are you confident that they have the financial capacity to cope with those additional pressures?

Michael Cameron: There is a range of challenges for social landlords. Our focus is very much on risk. I am sorry to lower the tone of the conversation by mentioning the B-word, but we are very alive to the potential risks of Brexit, and especially of a no-deal Brexit, for social landlords. We are conscious of the potential impacts of supply chain disruption on maintenance and new build. In addition, there is the potential for labour shortages in the maintenance and construction industry.

We are also thinking about some of the broader macroeconomic impacts of Brexit that could have consequences for social landlords. Any significant changes around inflation or currency could have significant cost impacts for RSLs.

The potential emerging risks around Brexit sit alongside some of the more familiar risks that we see for social landlords. The management of the pension deficit remains a challenge for RSLs. We are monitoring closely the position around rent arrears, as the roll-out of universal credit might result in an impact on landlords. We are aware of a range of risks, and we are monitoring them closely. That will drive how we set out our engagement with each landlord.

The Convener: Is there a link between welfare reforms—I am thinking about universal credit in particular—rent arrears and the higher rents that social landlords are having to impose on their tenants?

Michael Cameron: It is undoubtedly the case that the main contributory factor to any rise in arrears—we have seen a bit of a rise in the latest figures—will be the roll-out of universal credit rather than any other significant factor. However, we are not necessarily seeing the increase in

arrears as a consequence of universal credit being a driver of rent increases.

Equally, we are not necessarily seeing rent increases as a driver of arrears—it is a more complex picture than that. The arrears have gone up slightly, and they have gone up at a higher level for local authorities than they have for RSLs. We suspect that that is a direct consequence of the roll-out of universal credit having a more immediate impact on some of the local authority landlords.

10:45

The Convener: Although you do not need to comment, are there any further challenges, risks or uncertainties for social landlords that you have not already mentioned?

Michael Cameron: There is an increased level of expectation on social landlords. Earlier this week, freedom of information legislation was extended to registered social landlords, which will, unquestionably, have an impact on them.

We know that landlords have to give further consideration to investment strategies and plans, as well as to their climate change response in the context of the next iteration of EESSH—I cannot remember what that stands for—which will require further investment in stock. There will also be a range of other expectations to which landlords will have to respond.

Another challenge for a lot of landlords is the reality of the withdrawal of services in communities. Registered social landlords in particular are considering the consequences of the withdrawal of those services and whether they have to mitigate that or provide alternatives. Those are the kind of challenges and pressures that there are on registered social landlords, and those are the type of risks and impacts that we will continue to monitor.

George Walker: I will add a couple of things about issues that come up on visits and in face-to-face discussions with landlords. The energy efficiency standard for social housing is a significant issue that has definitely come up when I have been on visits. Making existing stock EESSH compliant can be very expensive—indeed, some landlords might say that it can be almost unaffordable. There is a challenge in managing the demand for housing and getting it EESSH compliant. That conundrum is definitely in the minds of landlords.

The other thing that I commonly hear about, from RSLs in particular, is landlords having to step in where there is no statutory funding for statutory services. There is a whole host of areas, such as tenancy sustainment or assisting people in

accessing benefits, where landlords are seeing parts of the third sector struggling for money and perhaps pulling back—statutory services are certainly being pulled back. Some landlords would say that they are finding that they are having to step into that void, which, in fairness to them, will be a challenge.

The Convener: I will ask one last question. Is the regulator suitably prepared for the changes to its powers as a result of provisions in the Housing (Amendment) (Scotland) Act 2018?

Michael Cameron: Yes. The principle changes in that regard has been the removal of consents. Formerly, landlords were required to obtain regulatory consent for a number of disposals of assets, or changes to constitution, that they might make. That change has now taken place and we have reflected that in the new regulatory framework that was brought in on 1 April.

The guidance that we put out for landlords, and their response to it, has gone smoothly. It shifted the duty from one of obtaining our consent to one of notifying us, and we have seen a significant increase in the number of notifications that we receive from social landlords, which is entirely in line with what we expected to see.

The Convener: I thank you both for attending today's evidence session.

10:49

Meeting continued in private until 10:49.

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