OFFICIAL REPORT
AITHISG OIFIGEIL

Local Government, Housing and Planning Committee

Wednesday 14 May 2025

Session 6

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LOCAL GOVERNMENT, HOUSING AND PLANNING COMMITTEE
14th Meeting 2025, Session 6

CONVENER

*Ariane Burgess (Highlands and Islands) (Green)

DEPUTY CONVENER

*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)

COMMITTEE MEMBERS

*Meghan Gallacher (Central Scotland) (Con)
*Mark Griffin (Central Scotland) (Lab)
*Fulton MacGregor (Coatbridge and Chryston) (SNP)
*Emma Roddick (Highlands and Islands) (SNP)
*Alexander Stewart (Mid Scotland and Fife) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Maggie Chapman (North East Scotland) (Green)
Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con)
Daniel Johnson (Edinburgh Southern) (Lab)
Willie Rennie (North East Fife) (LD)
Graham Simpson (Central Scotland) (Con)
Shirley-Anne Somerville (Cabinet Secretary for Social Justice)
Paul Sweeney (Glasgow) (Lab)

CLERK TO THE COMMITTEE

Jenny Mouncer

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Local Government, Housing and Planning Committee

Wednesday 14 May 2025

[The Convener opened the meeting at 18:51]

Housing (Scotland) Bill: Stage 2

The Convener (Ariane Burgess): Good evening, and welcome to the 14th meeting in 2025 of the Local Government, Housing and Planning Committee. I remind all members and witnesses to ensure that their devices are on silent.

This is day 3 of our consideration of the Housing (Scotland) Bill at stage 2. I welcome to the meeting the Cabinet Secretary for Social Justice and her officials. We are joined both online and in the room by other members of the Scottish Parliament who have lodged amendments to the bill and are present to debate them with us today.

Members who wish to speak should indicate that they wish to do so by catching my or the clerk's attention. Voting is by a show of hands, and it is important that members keep their hands raised until the clerk has recorded their names—that is especially important for colleagues who are online. I will let members know when we have counted their votes.

We will not dispose of any amendments beyond the end of part 2 of the bill today. The procedure that we will follow was explained at our last two meetings, so I propose that we move straight to consideration of amendments. I see that no member objects, so we will begin.

Section 15—Information that may be sought by local authority

Amendments 304 to 310 moved—[Shirley-Anne Somerville]—and agreed to.

The Convener: I remind members that if amendment 311 is agreed to, I cannot call amendments 153 and 154 due to pre-emption.

Amendments 311 to 313 moved—[Shirley-Anne Somerville]—and agreed to.

Amendment 155 moved—[Meghan Gallacher].

The Convener: The question is, that amendment 155 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 4, Against 3, Abstentions 0.

Amendment 155 agreed to.

Amendment 314 moved—[Shirley-Anne Somerville]—and agreed to.

The Convener: I remind members that if amendment 6, in the name of Emma Roddick, is agreed to, I cannot call amendments 315, 316, 449 and 317, due to pre-emption.

Amendment 6 not moved.

Amendments 315 and 316 moved—[Shirley-Anne Somerville]—and agreed to.

Amendment 449 moved—[Maggie Chapman].

The Convener: The question is, that amendment 449 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Griffin, Mark (Central Scotland) (Lab)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 2, Against 5, Abstentions 0.

Amendment 449 disagreed to.

Amendments 317 and 318 moved—[Shirley-Anne Somerville]—and agreed to.

19:00

Amendments 450 and 156 not moved.

Amendment 157 moved—[Meghan Gallacher].

The Convener: The question is, that amendment 157 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Gallacher, Meghan (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 3, Against 4, Abstentions 0.

Amendment 157 disagreed to.

Amendment 481 not moved.

Amendment 319 moved—[Shirley-Anne Somerville]—and agreed to

Amendment 482 not moved.

The Convener: I remind members that, if amendment 7 is agreed to, I cannot call amendments 320 and 321, due to pre-emption.

Amendment 7 not moved.

Amendments 320 to 322 moved—[Shirley-Anne Somerville]—and agreed to.

Amendment 109 not moved.

Amendment 110 moved—[Meghan Gallacher].

The Convener: The question is, that amendment 110 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Gallacher, Meghan (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Burgess, Ariane (Highlands and Islands) (Green)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 2, Against 5, Abstentions 0.

Amendment 110 disagreed to.

Section 15, as amended, agreed to.

After section 15

Amendment 8 not moved.

Amendment 323 moved—[Shirley-Anne Somerville]—and agreed to.

Section 16—Landlord's failure to provide information sought

Amendments 9, 483 and 10 to 14 not moved.

Amendment 237 moved—[Maggie Chapman].

The Convener: The question is, that amendment 237 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Griffin, Mark (Central Scotland) (Lab)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 2, Against 5, Abstentions 0.

Amendment 237 disagreed to.

Amendments 15 and 484 not moved.

Amendment 324 moved—[Shirley-Anne Somerville].

Amendment 324A moved—[Maggie Chapman].

The Convener: The question is, that amendment 324A be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Gallacher, Meghan (Central Scotland) (Con)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 2, Against 5, Abstentions 0.

Amendment 324A disagreed to.

Amendment 324 agreed to.

Amendment 111 moved—[Meghan Gallacher].

The Convener: The question is, that amendment 111 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Gallacher, Meghan (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Burgess, Ariane (Highlands and Islands) (Green)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 2, Against 5, Abstentions 0.

Amendment 111 disagreed to.

Section 16, as amended, agreed to.

Section 17—Landlord's provision of false information

Amendments 16, 485, 17 to 20, 137 and 486 not moved.

Amendment 325 moved—[Shirley-Anne Somerville].

Amendment 325A moved—[Maggie Chapman].

The Convener: The question is, that amendment 325A be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Griffin, Mark (Central Scotland) (Lab)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Abstention

Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 2, Against 4, Abstentions 1.

Amendment 325A disagreed to.

Amendment 325 agreed to.

Amendment 112 moved—[Meghan Gallacher].

The Convener: The question is, that amendment 112 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Gallacher, Meghan (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Burgess, Ariane (Highlands and Islands) (Green)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 2, Against 5, Abstentions 0.

Amendment 112 disagreed to.

Section 17, as amended, agreed to.

After section 17

Amendment 326 moved—[Shirley-Anne Somerville]—and agreed to.

19:15

Section 18—Power to modify law in connection with the expiry of rent control area

Amendment 327 moved—[Shirley-Anne Somerville]—and agreed to.

Amendment 58 not moved.

Amendment 113 moved—[Meghan Gallacher].

The Convener: The question is, that amendment 113 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Gallacher, Meghan (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Burgess, Ariane (Highlands and Islands) (Green)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 2, Against 5, Abstentions 0.

Amendment 113 disagreed to.

Section 18, as amended, agreed to.

After section 18

Amendment 59 not moved.

Amendment 328 moved—[Shirley-Anne Somerville]—and agreed to.

Amendment 158 moved—[Maggie Chapman].

The Convener: The question is, that amendment 158 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 158 disagreed to.

Amendments 159 and 160 not moved.

Amendment 424 moved—[Maggie Chapman].

The Convener: The question is, that amendment 424 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 424 disagreed to.

Amendment 425 not moved.

Before section 19

Amendment 60 not moved.

Section 19—Setting and variation of rent

Amendment 329 moved—[Shirley-Anne Somerville].

Amendments 329A to 329D not moved.

Amendment 329E moved—[Maggie Chapman].

The Convener: The question is, that amendment 329E be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 329E disagreed to.

Amendment 329F moved—[Maggie Chapman].

The Convener: The question is, that amendment 329F be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

Mark, you have two hands up—your digital hand and your real hand—and we are not quite sure which one to count.

Mark Griffin (Central Scotland) (Lab): I keep sticking up a digital hand and not remembering to lower it.

The Convener: What are we going for—your real hand?

Mark Griffin: My real hand.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 329F disagreed to.

Amendment 329J moved—[Maggie Chapman].

The Convener: The question is, that amendment 329J be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 329J disagreed to.

Amendment 329K not moved.

Amendment 329M moved—[Maggie Chapman].

The Convener: The question is, that amendment 329M be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)

Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 329M disagreed to.

Amendments 329G to 329I and 329L not moved.

The Convener: The question is, that amendment 329 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Burgess, Ariane (Highlands and Islands) (Green)

The Convener: The result of the division is: For 6, Against 1, Abstentions 0.

Amendment 329 agreed to.

The Convener: Group 9 concerns rent controls outwith rent control areas. Amendment 214, in the name of Rachael Hamilton, is grouped with amendments 500, 501, 229, 258, 451 and 266. I call Rachael Hamilton to speak to and move amendment 214 and speak to the other amendments in the group.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): Amendment 214 would amend the Private Housing (Tenancies) (Scotland) Act 2016 to require that a rent increase notice specified the reasons for the increase. That aims to improve our understanding of rental trends across Scotland and, therefore, to ensure greater accuracy for future housing policy decisions. As drafted, the bill requires local authorities to assess the level of rent that is payable in their area and the rate of increase, but not to specify why rent increases might or might not be happening. Amendment 214 would improve data collection and increase the awareness of overall trends in the rental sector. It would allow Scottish ministers to have a better understanding of the sector so that they can bring forward evidence-based policy decisions on issues such as rent control. Amendment 214 would also improve transparency and reduce the likelihood of a tenant referring to the rent officer a rent increase that is made without good reason.

We will support amendments 500 and 501, in the name of Mark Griffin, and we will also support amendment 451, in the name of Maggie Chapman, but I wait to hear her speak on her amendments 229, 258 and 266, which, at the moment, we do not support.

I move amendment 214.

Mark Griffin: Amendment 501 and consequential amendment 500 would exempt registered social landlords and their subsidiaries from the restriction on rent frequency increases during the first 12 months of a tenancy, regardless of when the tenancy began. The amendments are a practical move, which would allow for easier administration of housing association tenancies. If housing associations were required to set an individual rent rather than setting all mid-market rents once a year, different tenants could potentially be charged different rents, despite living in the exact same property in the exact same area, because prevailing costs and inflation rates would vary, depending on the time that the decision was made.

My amendments speak to the fact that registered social landlords and their subsidiaries are already subject to regulation and monitoring with regard to rental costs. The bill's provisions would cause unnecessary administrative burdens. Keeping the current annual rent-setting process is preferable for such properties, as that allows for the consultation of tenants in the process, effective communication plans and considered board and management approval for new rent levels. Changing that would, in effect, limit housing associations' ability to carry out those important practices, which benefit and protect MMR tenants in ways that typical private rented sector tenants are not afforded.

An April notice would align with other relevant economic adjustments, in line with the tax year. In essence, amendments 501 and 500 would stop multiple rent adjustments having to be carried out over the course of the year, depending on when a tenancy started, and it would allow RSLs to have a single rental increase for the year for all their tenants.

19:30

Maggie Chapman (North East Scotland) (Green): My first amendment in this group, amendment 229, would extend a key protection to tenants of properties that are not in rent control areas and properties that might be exempt from rent controls. Where a rent control area is in place, rent increases would be limited to one increase per property in any 12-month period, even if the tenant changes in that time. It is unclear why, as a matter of principle, all private tenants should not enjoy those basic protections. Amendment 229 would mean that, if the landlord had increased the rent in a previous tenancy less than 12 months

before the start of the current tenancy, they would have to set the rent for the current tenancy at no more than the final rent payable under the immediately preceding tenancy. It is a modest and sensible measure to stop landlords taking advantage of a change in tenant to hike rent further.

Amendment 258, in my name, would set the important principle that a rent should not be increased if minimum standards are not met. In partnership with an amendment in a later group, that principle would apply in and outwith rent control areas. I will address that more fully when we discuss the main set of amendments that relate to quality, but there is a clear problem with poor energy efficiency, damp and other problems in some parts of the private rented sector, which I am sure that we are all well aware of. If we freeze or cap rents where minimum standards are not met, landlords will have little choice but to bring their properties up to scratch.

Amendment 266 is consequential to amendment 258 and would ensure that the affirmative procedure is used.

Graham Simpson (Central Scotland) (Con): In relation to amendment 258, I note that Maggie Chapman wishes to leave the setting of minimum standards to ministers. However, can she give us an idea of what she means by "minimum standards"?

Maggie Chapman: Can I just clarify that the member is referring to minimum standards in energy efficiency as well as quality?

Graham Simpson: I wonder how you define "quality" in law or in regulations.

Maggie Chapman: I will take those in turn. There has been quite a lot of discussion about what energy efficiency would look like. We currently have the energy performance certificate ratings, but we expect those to change, which is why we have not defined those in the bill. The use of the affirmative procedure, as provided for by amendment 266, would give the scope to properly define minimum standards on the basis of whatever energy efficiency measures were determined to be appropriate, if not EPC.

There are mechanisms that outline and define quality in housing regulations and in amendments on repairs and standards that we will discuss in later groups. We need to ensure that there are adequate measures, some of which relate to energy efficiency, on things such as draft proofing.

Amendment 266 is consequential to amendment 258 and requires that the regulations that amendment 258 refers to are brought in using the affirmative procedure.

Amendment 451 states that information related to amendments 449 and 450, which we debated a lifetime ago—yesterday morning—would need to be taken into account when determining open market rent.

Rachael Hamilton's amendment 214 would require the landlord to specify in the rent increase notice the reasons for the rent being increased. That adds transparency, which is very welcome, and we support that amendment.

Mark Griffin's amendments 501 and 500 would weaken protections for private tenants of some social sector landlords. We cannot support those weakened protections.

Meghan Gallacher (Central Scotland) (Con): I will pick up on the points about defining "quality" and "energy efficiency" that were raised by Maggie Chapman and which she discussed in her subsequent exchange with Graham Simpson. It is important to acknowledge that we are reviewing the EPC rating system. That could have happened way before now—it is long overdue—but we probably need to see what the review concludes before even beginning to look at the minimum standards that are required for a rent increase.

With regard to energy efficiency, as things stand, it is very hard for rural homes to do what is required to achieve an EPC rating of C. If the system used our current energy efficiency standards, it would be incredibly difficult for landlords with properties in rural areas to achieve that rating, which would prevent them from increasing the rent, so we need to look at the issue in the round. I am also a little concerned about how you would define "quality", because it is a very broad term that is open to interpretation by individuals. I will leave my comments there.

The Cabinet Secretary for Social Justice (Shirley-Anne Somerville): Amendment 214, in the name of Rachael Hamilton, requires that rent increase notices for private residential tenancies for properties that are outwith a rent control area should set out the reasons for a proposed rent increase. I am not convinced that that would be a clear benefit for tenants, and I am very concerned about the increased administrative burden on all landlords. Therefore, I cannot support amendment 214 and I urge Rachael Hamilton not to press it.

Amendments 501 and 500, in the name of Mark Griffin, would create exceptions to the requirement that private rents should not be raised in the first 12 months of a tenancy outwith a rent control area or for an exempt property in a rent control area. The bill contains a power that allows for exemptions to be set out in regulations, which we have discussed in earlier groups, and those will be part of the live consultation for those who will be impacted.

Although I understand Mark Griffin's intentions with respect to social housing providers, an approach that sets out any exception to the requirement that rent is not increased during the first 12 months of a tenancy should be set out in regulations. I appreciate that the issue is a concern of the Scottish Federation of Housing Associations in particular, and I reassure Mark Griffin that we will engage with it and other interested parties on that as we move forward with implementation. The development of the regulations that I mentioned will allow us the opportunity to engage with everyone, including the SFHA, to ensure that any exceptions are reasonable and that we strike the right balance. I am afraid that amendments 501 and 500 do not allow for that, so I cannot support them and I urge Mr Griffin not to move them.

Amendment 229, in the name of Maggie Chapman, would apply certain restrictions on between-tenancy rent increases to properties outwith a rent control area or exempt properties in a rent control area. The amendment would prevent landlords in those properties from setting an increased rent between tenancies if the rent for the property had increased in the previous tenancy within the past 12 months. I consider that restricting rent increases between tenancies is appropriate in areas where rent control has been deemed necessary. However, I do not consider that that would be a proportionate approach in places where rent controls have not been deemed necessary. Therefore, I cannot support the amendment, and I urge Ms Chapman not to move it.

Amendments 258 and 266, also in the name of Maggie Chapman, would mean that rent for private residential tenancies for properties that are outwith rent control areas and exempt properties in rent control areas could not be increased unless the property met minimum standards that were specified by Scottish ministers in regulations. Although I agree with Ms Chapman about the importance of all properties in the private rented sector complying with required standards, there are already standards and enforcement measures in place in relation to rented properties. Creating something additional to the existing repairing standard is unnecessary and would risk causing confusion for landlords and tenants. However, there is a discussion to be had on quality and repair in a later group, and I look forward to discussing those amendments.

Meghan Gallacher: Does the cabinet secretary agree that, should amendment 258 be agreed to, under the existing EPC rating system, it will be really difficult for landlords with rural properties to upgrade their homes to reach the required rating, given how the process is undertaken and assessments are made and determined?

Shirley-Anne Somerville: I appreciate the challenge that Meghan Gallacher raises. She mentioned the on-going discussion and consultation on EPC standards, which is an important piece of work. I also recognise the challenge around some of those issues, particularly in rural and island areas.

Amendment 451, in the name of Maggie Chapman, would require the rent officer or the First-tier Tribunal, when making a determination of an open market rent as part of a rent adjudication, to have regard to information that is collected under amendments 449 and 450, which were debated previously. Amendment 449 would enable information to be requested from a landlord or tenant by a local authority for the purposes of providing data to support the determination of an open market rent under the Private Housing Tenancies (Scotland) Act 2016. Amendment 450 is an alternative to amendment 449, which would oblige the local authority to exercise the power.

It is not clear that that information is needed by rent officers or the First-tier Tribunal, as they already make determinations of open market rent without access to it. It is also not clear from the amendments how such a process could operate or how often information would need to be collected for that purpose. It would not only place an additional burden on local authorities, but place them in the awkward position of supporting rent officers and the FTT in the adjudication of rent, which is a role that they do not currently fulfil. I cannot therefore support amendment 451.

For those reasons, I ask Rachael Hamilton not to press amendment 214, and Mark Griffin and Maggie Chapman not to move their amendments in the group. If they are pressed and moved, I ask members of the committee to oppose them.

Rachael Hamilton: I thank the cabinet secretary for explaining why she will not support amendment 214, but I disagree with her. The point that she makes is about increasing bureaucracy and she believes that my amendment will do that. However, amendment 214 seeks to reduce bureaucracy. The provision of clear evidence by landlords will reassure tenants and that will avoid any unnecessary reference to the rent officer or the First-tier Tribunal.

Shirley-Anne Somerville: If Rachael Hamilton is keen to press amendment 214, I ask that we pause and use the opportunity between stages 2 and 3 to discuss with the Scottish Association of Landlords the additional administrative burden on landlords. It is the burden on landlords that I am particularly concerned about. I see Rachael Hamilton's point about what the amendment is trying to achieve, but I am concerned about the administrative burden on each individual landlord.

Rachael Hamilton: Okay—I accept that. However, if the cabinet secretary does not mind, I will take that in while I am speaking to the other amendments. I am keen to press the amendment because I believe that, at the other end of the scale, it will remove the burden of bureaucracy.

I listened carefully to Maggie Chapman, and I am slightly concerned that the blanket restrictions on setting initial rents would harm the private rental sector and tenants who might benefit from reduced rent agreements, for example.

On the point that my colleagues Graham Simpson and Meghan Gallacher make on the definition of quality, we know that the Housing (Scotland) Act 2006 already provides for repairing standards that landlords must meet during a tenancy. When standards are not met, enforcement mechanisms can be used, and making further rent-setting controls is unnecessary and potentially counterproductive.

I have already indicated that I will support Mark Griffin's amendments 501 and 500 and Maggie Chapman's amendment 451.

The Convener: Do you wish to press or withdraw amendment 214?

Rachael Hamilton: I will press.

The Convener: The question is, that amendment 214 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Gallacher, Meghan (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 3, Against 4, Abstentions 0.

Amendment 214 disagreed to.

19:45

Amendment 330 moved—[Shirley-Anne Somerville].

The Convener: The question is, that amendment 330 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Abstention

Burgess, Ariane (Highlands and Islands) (Green)

The Convener: The result of the division is: For 6, Against 0, Abstentions 1.

Amendment 330 agreed to.

Amendment 331 moved—[Shirley-Anne Somerville].

The Convener: The question is, that amendment 331 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Burgess, Ariane (Highlands and Islands) (Green)

The Convener: The result of the division is: For 6, Against 1, Abstentions 0.

Amendment 331 agreed to.

The Convener: The next group is on rent control areas: changes to between-tenancy rent controls. Amendment 29, in the name of Willie Rennie, is grouped with amendments 30 to 33, 216, 217, 34 to 46 and 227. I remind members of the pre-emptions in this group, which are set out in the groupings, including the correction that amendment 37 also pre-empts amendment 240, which is in the group on rent increase procedure.

Willie Rennie (North East Fife) (LD): The purpose of my amendments is to drive investment and build confidence in the housing sector. My amendments 29 to 46 give two options. The first is to remove between-tenancy rent controls altogether. The second is an alternative to the first option, which would prevent rent control measures from applying between tenancies when work has been carried out on a property. I seek to do that by modifying the subsection that determines whether a property is the same or substantially the same as a property that was let under a previous tenancy by adding the qualification that that should be determined with reference to

"the extent to which the let property has been decorated or renovated since the point at which the previous tenancy ended."

As I said, we are trying to drive investment and build confidence, but we are also trying to prevent

poor maintenance and investment in properties, which could prevent lower rents in some tenancies from rising up to the market level in advance of the introduction of this piece of legislation. If they do not, they will not be able to keep pace with the market value in future. There is a danger that that, together with some other measures, might result in landlords leaving or investors moving away from the sector.

Many other countries that have rent controls have different arrangements for the period between tenancies. My options simply go with some of the international best practice in that area.

I move amendment 29.

Rachael Hamilton: Amendments 216 and 227 are consequential to amendment 217, which would ensure that any future exemption that is set by ministers would also apply when the initial rent for a new tenancy is set. That is a critical clarification, because the period between tenancies is typically when housing providers assess properties, carry out improvements and adjust rents. Because the issue of exemptions is one of the most scrutinised aspects of the bill, it is essential that their application at that key stage is made explicit. Amendment 217 would remove ambiguity and ensure that housing providers can confidently plan and invest, knowing how exemptions will apply when initial rents are set.

Meghan Gallacher: Given that I have supported quite a lot of Willie Rennie's amendments in this group, it would be remiss of me not to make a short contribution. I totally agree with the points that he has made. In our scrutiny of the bill, we must put in place the correct safeguards to ensure that we drive up investment so that the private rented sector, and other housing sectors, will not be detrimentally impacted by rent controls.

This might be another consequence of the Government not consulting properly in all areas before introducing legislation. I would have hoped that what happens between tenancies could have been teased out before we reached stage 2, because it was raised at stage 1 and even before then, not only by the sector but by members. I am pleased to support Willie Rennie's amendments, and I look forward to hearing the cabinet secretary's responses to all the amendments in this group.

Shirley-Anne Somerville: Amendments 29 to 31, along with amendments 34 to 46, in the name of Willie Rennie, would collectively remove the restrictions on rent increases between tenancies and the means by which a tenant could enforce those restrictions.

The overarching purpose of the rent control measures is to protect the social and economic interests of tenants by stabilising rents in areas where market rents have been increasing particularly steeply. Allowing unrestricted rent increases between tenancies would undermine that purpose and would reduce the protection that rent controls can offer for tenants.

Allowing unrestricted rent increases between tenancies could also lead to a two-tier market, with a difference between tenants who move tenancies and those who stay in tenancies for longer periods of time. Tenants might remain in a tenancy for longer than they would otherwise have done, even when that tenancy does not meet their needs, because their existing rent is more affordable than open market rents for new tenancies in the same area. There is a risk that that could reduce people's ability to access suitable rented homes and could reduce the ability of tenants to move if their circumstances change. It could also make it harder for prospective tenants to obtain a lease for a rental property in a rent control area.

I understand Willie Rennie's concerns and recognise that some landlords are concerned about restrictions between tenancies, particularly in circumstances in which the landlord has not increased the rent during a tenancy, has made significant improvements to the let property or is facing increased costs in offering the property for let. That is why the bill already includes provisions for ministers to make regulations allowing for properties to be excluded from rent control or for rents to be increased above the cap. I hope that the fact that our consultation on the potential use of those provisions has been published reassures Mr Rennie and landlords that we are considering the most appropriate way to approach the issues. However, removing the restrictions on pre-tenancy rent increases is not an approach that I can support.

Mr Rennie's amendments 32 and 33 would change the terms under which a property that is let under a tenancy is to be considered the same as a property that was let under a previous tenancy. Those amendments would provide that the question of whether a property is the same must include consideration of the extent to which the property has been decorated or renovated since the end of the previous tenancy. That could allow a landlord to raise the rent between tenancies without restriction if they have undertaken very minor redecoration or renovation to the property between tenancies, which would not be in keeping with the aim of rent control.

As I have said, the bill already includes provisions for ministers to set out circumstances in which rents may be increased above the cap. An area that is being consulted on is the use of those powers when a landlord has made significant

improvements to the let property, either during an existing tenancy or between tenants.

Graham Simpson: I want to explore amendment 33, which the cabinet secretary has commented on. I accept that she is doing a consultation. We have already debated my amendments on giving landlords the power to increase rent if they have incurred significant costs. I think that amendment 33 is similar to, although not the same as, those amendments. I do not want to put words into Mr Rennie's mouth, but I think that his point is that, if a property has been improved between tenancies and has been made a lot nicer than it was—let us say that the landlord has stripped out the kitchen and bathroom and put in new ones, with all new white goods and so on—any landlord who has done that could make the argument that the property would be more valuable on the market. Does the cabinet secretary not accept that point?

Shirley-Anne Somerville: I accept that there is a point to be made. That is similar to some of the discussions that we have had in previous groups on exemptions or reasons to increase rents above the cap. That is exactly why this area is in the consultation. I appreciate that landlords are concerned that they might, for example, be put off investing money to make major improvements to properties if those improvements were not to be recognised. I take that issue very seriously. I am keen to see what happens in the consultation—I am sure that that point will come through, based on the discussions that I have already had with landlords' representatives.

However, I am clear that the circumstances in which it would be appropriate for there to be increases above the cap should be set out through regulations and that that process should be supported by our on-going consultation. Therefore, I cannot support Willie Rennie's amendments 29 to 46.

Rachael Hamilton's amendments 216 and 217, and the consequential amendment 227, would enable the Scottish ministers to prescribe circumstances in which the restrictions on the setting of the initial rent in a previously let property in a rent control area could be removed. The bill will already provide powers for the Scottish ministers to create exemptions from the rent control or to set circumstances in which the rent cap can be exceeded. Those powers will address the issue that Ms Hamilton's amendments seek to cover. Therefore, I cannot support those amendments.

Due to the on-going consultation and the regulations that the Government has committed to make in short order, I urge Willie Rennie not to press amendment 29 or to move his other amendments, and I ask Rachael Hamilton not to move her amendments. If that is not the case, I urge members not to support them.

Willie Rennie: One thing that I have learned from this process is that Graham Simpson is an excellent spokesperson. If he does not become an MSP again, he will get employment from me. [*Laughter.*] I thank him for explaining my amendments.

It is normal practice for landlords to invest at the point of a changeover in a tenancy. I do not want us to get to a position in which landlords decide not to invest in properties because they will not get a return on that investment, which will cause a decrease in the quality of accommodation and a lack of investment in the sector. However, I am pleased that the cabinet secretary accepts the principle at the heart of what I am trying to say. It is now on the record that she has said that, and I hope that my point is reflected in the consultation responses, the eventual response from the Government and the generation of the regulations.

It may be that there are exemptions that cover not only the periods between tenancies but all times when investment is made by the landlord in the property so that they are able to get a return on that investment. That way, we can encourage the improvement of properties rather than the opposite.

On that basis, I will not press amendment 29.

20:00

Amendment 29, by agreement, withdrawn.

Amendment 332 moved—[Shirley-Anne Somerville].

Amendment 332A moved—[Maggie Chapman].

The Convener: The question is, that amendment 332A be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 332A disagreed to.

Amendment 332B moved—[Maggie Chapman].

The Convener: The question is, that amendment 332B be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 332B disagreed to.

Amendments 332C to 332F not moved.

Amendment 332G moved—[Maggie Chapman].

The Convener: The question is, that amendment 332G be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 332G disagreed to.

Amendment 332H moved—[Maggie Chapman].

The Convener: The question is, that amendment 332H be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Gallacher, Meghan (Central Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 1, Against 6, Abstentions 0.

Amendment 332H disagreed to.

The Convener: The question is, that amendment 332 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

Against

Burgess, Ariane (Highlands and Islands) (Green)
Gallacher, Meghan (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 4, Against 3, Abstentions 0.

Amendment 332 agreed to.

Amendments 47 and 30 not moved.

Amendment 333 moved—[Shirley-Anne Somerville]—and agreed to.

The Convener: I remind members that if amendment 31 is agreed to, I will not be able to call amendments 32, 33, 216 and 217, or amendments 334 and 49, which were debated in the group on rent control areas: amount of rent cap, because of pre-emption.

Amendment 31 not moved.

Amendment 215 moved—[Rachael Hamilton].

The Convener: The question is, that amendment 215 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Gallacher, Meghan (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Griffin, Mark (Central Scotland) (Lab)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)

The Convener: The result of the division is: For 3, Against 4, Abstentions 0.

Amendment 215 disagreed to.

Amendments 48, 32, 33, 216 and 217 not moved.

Amendment 334 moved—[Shirley-Anne Somerville]—and agreed to.

Amendments 49, 61 to 64 and 34 not moved.

The Convener: I thank members and the cabinet secretary and her officials for their work this evening. I now conclude the public part of our

meeting. At our meeting next Tuesday, we will continue our consideration of the Housing (Scotland) Bill at stage 2.

20:11

Meeting continued in private until 20:20.

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