OFFICIAL REPORT
AITHISG OIFIGEIL

Local Government, Housing and Planning Committee

Thursday 29 May 2025

Session 6

The Scottish Parliament
Pàrlamaid na h-Alba

Thursday 29 May 2025

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LOCAL GOVERNMENT, HOUSING AND PLANNING COMMITTEE
17th 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)
Willie Rennie (North East Fife) (LD)
Shirley-Anne Somerville (Cabinet Secretary for Social Justice)
Collette Stevenson (East Kilbride) (SNP) (Committee Substitute)

CLERK TO THE COMMITTEE

Jenny Mouncer

LOCATION

Committee Room 2

Scottish Parliament

Local Government, Housing and Planning Committee

Thursday 29 May 2025

[The Convener opened the meeting at 13:05]

Housing (Scotland) Bill: Stage 2

The Convener (Ariane Burgess): Good afternoon, and welcome to the 17th meeting in 2025 of the Local Government, Housing and Planning Committee. I welcome Collette Stevenson, who is attending as a substitute. Emma Roddick also joins us for this part of the meeting under rule 12.2.2(b) of standing orders. I remind all members and witnesses to ensure that their devices are on silent.

This is day 6 of the committee's 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 also joined by other members of the Scottish Parliament who have lodged amendments to the bill and who are present to debate those with the committee. Members who wish to speak should indicate that clearly by catching my eye or the clerk's attention. Voting will be done by a show of hands, and it is important that members keep their hands clearly raised until the clerks have recorded their names.

After section 47

The Convener: Amendment 507, in the name of Mark Griffin, is grouped with amendments 387, 508, 388 to 392, 509 to 512, 415, 513, 504 to 506, 514, 476, 476A, 517, 518 and 397.

I call Mark Griffin to speak to and move amendment 507 and to speak to the other amendments in the group, including on behalf of Sarah Boyack, on amendment 415, in her name and supported by Pam Duncan-Glancy, and, on behalf of Pam Duncan-Glancy, on amendment 476, in her name.

Mark Griffin (Central Scotland) (Lab): Colleagues, I hope that you will bear with me as I go through the fairly lengthy and technical list of amendments in this group.

I do not need to quote the Competition and Markets Authority's conclusion that there was a "significant consumer detriment" in the private management of housing estates in Scotland to illustrate the point that I am attempting to make with my proposals to amend factoring legislation in Scotland. Nor do I need to raise the petitions that have been lodged in the Parliament by frustrated members of the public. I am sure that, in order to understand the situation, members need only look at their inboxes—if they are anything like mine, they will show that members have been contacted by many private housing estate residents who are entirely frustrated and deeply unhappy with their relationship with their factor. We have known for a long time that the balance of power in factoring relationships is skewed in favour of corporate interests. Back in 2011, my colleague Patricia Ferguson introduced a member's bill, which is now the Property Factors (Scotland) Act 2011, to regulate factors. Fifteen years later, with more than 350 factors on the register and only three ever having been removed for a breach of the code of conduct, it is clear that although the 2011 act was a good start, much still needs to be done to bring more fairness to those relationships.

The Government has agreed that that is the case, and, going back as far as 2013, has been promising a code of conduct for land maintenance companies. The reason why the code has never been produced is not that there are too many legal complications or that the arguments for the code have been found to be wrong; it is, the Government has said, that it has other things to prioritise. Therefore, while constituents and colleagues have been living with these expensive and unfair factoring relationships, the Government has deprioritised work in the area, which is why I lodged my amendments. The factoring system in Scotland is not fair, and we should not wait another 15 years to look at further change. Through the Housing (Scotland) Bill, I have therefore proposed a number of substantive changes to the 2011 act, which, along with changes that my colleagues propose in their amendments, would rebalance the power in the relationship towards home owners.

I appreciate the work that you have done, convener, to ensure that home owners will be able to remove factors more easily, and I intend to support your amendments in this group if you move them. I also support the Government's amendments in this area, and I acknowledge its attempt to make removal of a factor from the register easier.

I ask colleagues to support the amendments in the group that have been lodged by Sarah Boyack and Pam Duncan-Glancy, which will allow home owners to take a group action against factors to the First-tier Tribunal for Scotland housing and property chamber in order to stand in solidarity with one other against corporate interests. That will also allow local authorities to adopt amenities on public housing estates. I have included an alternative to that approach, which would make adoption by local authorities mandatory, as was recommended by the CMA.

My amendments in this area all deal with increasing transparency and power for home owners. I would require all factors to publish their written statement of services with the home owners they are acting on behalf of. I would also require them to publish information about how much the services that they provide cost, and how much they have charged for services that they have carried out in previous years. I am also asking factors to let home owners know if they intend to sell their contract of services to another company. To me, it seems like a fairly base-level requirement of any contract of service that you are able to see what you have signed up for, what you are being charged for, who you have a contract with and what the services cost.

As the amendments are about rebalancing power away from the factor towards the home owner, I have also lodged amendments that provide more enforcement powers for the First-tier Tribunal against factors that have been found to be in contravention of the code of conduct. My amendments would allow the tribunal itself to remove factors from the register and to provide home owners with monetary compensation for the bad service that they have received.

I have set in place mechanisms for gathering data on the performance of factors, which, apart from anecdotal information from home owners across Scotland who have contacted me with their stories, is currently extremely scarce. It is important that there should be a record of the performance of factors, not least in order for ministers to carry out a proper review of factoring legislation, which is clearly overdue for reform.

I have listened to my constituents and to the many home owners who have been in touch with me to set out their issues with factoring in Scotland. I know that the law needs changed and that the regulation of factors needs to be tightened up to ensure that home owners in Scotland get a fairer deal.

Through amendment 415, my colleague Sarah Boyack highlights the fact that the Property Factors (Scotland) Act 2011 is now almost 15 years old. It has become clear that there is still an imbalance of power between factors and the home owners on whose behalf they work. Citizens across Scotland have worked hard to bring factors to account, and they face odds that are stacked against them. One way of evening the odds is to make a slight change to the legislation to allow home owners to bring, as a group, rather than individually, complaints against factors that are suspected of breaches of the code of conduct. It is common knowledge that people become more powerful against corporate interests when they are enabled to work together, supporting one another. Amendment 415 allows groups of home owners to stand together and take collective action against the corporate interests that may well be balanced against them. It is meant to be part of a package of measures set out in the bill, updating the 2011 act and ensuring that factors' interests are strictly regulated while home owners' rights are protected where relationships go wrong.

I am aware of the length of time that it has taken for the Government to take action to bring forward changes to factoring legislation, following a petition that was lodged a few years ago. Ms Boyack acknowledges the Government's assurance that action will be taken to strengthen the legislation, but she points out that those assurances have been heard repeatedly and we are still waiting for action. Ms Boyack fully intends to work in good faith with the Government to ensure that legally competent change can take place, but she asks colleagues to give due consideration to the length of time that we have already waited for change to happen.

My colleague Pam Duncan-Glancy lodged amendment 476 because it is important to be able to hold existing property factors to account. It is also vital that, when a factor has pulled out or been dismissed and a suitable alternative cannot be found, residents should not be left in limbo. It can be difficult to source an alternative property factor in Glasgow because fewer factoring companies operate in some areas, especially when older tenement buildings or smaller developments are involved.

13:15

What is more, when an alternative property factor is available, because there is little competition, some factors may increase prices due to having a monopoly. There is no legal cap on how much money a property factor can charge although, under Scottish property law, they must justify their cost as reasonable.

Amendment 476 would amend the Title Conditions (Scotland) Act 2003 to obligate local authorities to take responsibility for land when a factor has pulled out or been dismissed and a suitable alternative cannot be found. The amendment stipulates that a local authority would be able to charge a "reasonable" fee, which could be set out in regulations by the Scottish ministers. The amendment would ensure that home owners are not left in limbo without a factor and that they would not be subjected to extortionate prices through no fault of their own.

The entire suite of amendments in the property factors grouping speak to home owners' difficulties in being able to challenge service, costs and competition in relation to the provision of grounds maintenance and other issues that exist in

common areas around their properties. I have supported groups of residents who have had to jump through a myriad of legal hoops to kick out an underperforming factor and find a replacement, either from their local authority or another alternative.

It is long overdue that we look at this area of law and make it easier for home owners to take control over the common areas that they are responsible for through their title deeds, and to challenge the factors that, in some cases, provide a substandard service.

I move amendment 507.

The Cabinet Secretary for Social Justice (Shirley-Anne Somerville): I recognise the intent behind many of the amendments in the grouping and I appreciate that difficulties are being experienced by some who are in the property factors system. As Mark Griffin mentioned, members will have knowledge of that from their constituency work, as do I.

However, the amendments that are proposed are very wide ranging and pick out a number of discrete topics across what is a complex and interconnected system. Although I am sympathetic to what members are trying to achieve and the constituency cases that I am sure lie behind many of the amendments, I am concerned about considering issues in isolation from one another and from the wider system. I am also mindful that we have not engaged widely with stakeholders on the issues.

Instead of working in a potentially piecemeal way, I would like to look at any issues in the round and engage with stakeholders to review the system in its entirety to identify what improvements can be made. I wish to take the time to do that work properly and would welcome members contributing to it, instead of pressing forward with the range of amendments that are before us today.

I begin with amendment 507, in the name of Mark Griffin, which would require additional information to be included as part of an application to be a registered property factor. Although I appreciate that the intent is to strengthen the application process, I am not clear on the value that such additional information would provide beyond what is already in the code of conduct, with which all registered property factors must comply, and what property factor enforcement orders already allow for. As those existing provisions appear to be operating as intended, I cannot support the amendment without hearing further from stakeholders on the issues.

I turn to the Government's amendments in the name of Paul McLennan. Amendments 387 to 392 and 397 modify the existing property factor registration regime to make it work more coherently and effectively. In particular, they clarify when a property factor number is to be disclosed; adjust matters to be considered as part of the fit-and-proper-person test; expand powers to remove property factors from the property factor register when the factor no longer exists; clarify the duty to notify property factors who have been removed from the register in cases where that is not currently possible; require refusals and removals to be noted on the register; allow property factors to seek removal from the register; and confer additional enforcement powers. The amendments will improve the registration scheme and I urge members to support them so that improvements can be brought forward before the review that I mentioned earlier.

It is not clear how amendments 508 and 513, in the name of Mark Griffin, would benefit the system overall. Scottish ministers have the responsibility to assess whether applicants are fit and proper for registration, and consideration is based on all relevant circumstances. The First-tier Tribunal would not have access to the full range of material that is used to determine whether someone is a fit and proper person to carry out property factoring, so amendment 508 would narrow the scope of the fit-and-proper-person test, which would have potentially negative implications for factors' businesses and for home owners. I therefore cannot support the amendments without more understanding of what is behind them.

I turn to amendments 509 to 511, which relate to provision of certain information to home owners. It is my view that the code of conduct for property factors already caters for what the amendments propose. The code covers how fees, charges and works that have already been undertaken or are to be undertaken are handled and communicated, and how factors will co-operate with another factor to allow for a smooth transfer. Without hearing wider views, I am therefore unclear what the amendments would add to the requirements that are already in place. I cannot therefore support the amendments at this time.

On amendment 512, in the name of Mark Griffin, I note that it is already possible for individuals to search whether a property factor is registered to provide services in Scotland, who the property factor is for a certain property or area of land and the latest number of properties that a property factor manages. As already explained, amendment 390, in the name of Paul McLennan, would place a new duty on Scottish ministers to keep a note in the register of any refusal

"to enter a person in the register"

and of any removal from the register

"for the period of 3 years",

which I hope will reassure Mr Griffin on the matter behind his amendment. Scottish ministers can provide guidance and publish information that they deem appropriate without the need for the amendment. For that reason, I do not support it.

I appreciate the aim of amendments 504 and 517, in the name of Ariane Burgess, but there are already means by which such attention is brought, in the form of evidence gathered by Scottish ministers through compliance monitoring activity, which can and is frequently informed by home owner reports, and by notice from the First-tier Tribunal that a property factor enforcement order has not been complied with. Without further discussion, it is therefore not clear what improvements the amendments would bring, so I cannot support them.

I turn to amendments 505 and 518, also in the name of Ariane Burgess. Amendment 505 would lower the current upper legal threshold that is required for property owners to dismiss a property manager and appoint someone else from "two thirds" to "a majority",

"unless the title deeds ... provide a lower threshold".

Existing provision is intended to ensure that title deeds do not impose an unreasonably high threshold to dismiss the manager, such as requiring a unanimous vote. Title deeds can, however, specify a lower threshold, such as a simple majority. When title deeds are silent, existing legislation provides a default rule that allows a simple majority to dismiss the manager.

When the Scottish Government last consulted on that issue in 2013, a majority of respondents did not favour reducing the threshold. Given the changes to the sector since then, it is important that we take time to look at the matter as part of a wider review, as I mentioned earlier. Removal of a property factor is, of course, the final step to address underperformance. So that we can better understand the issue, how it sits in the wider property factor system and any unintended consequences of the proposed changes, I ask Ariane Burgess not to move the amendments.

On amendment 506, in the name of Mark Griffin, I recognise, as I have said, that some users of the system are experiencing difficulties, and I have committed to working with members and stakeholders to consider those in the round, taking the time to do so properly. The amendment would drive too short a timeframe for work of that nature and set a particular scope before we have had time to consider matters. For that reason, I cannot support it, but I emphasise my offer to engage with members and stakeholders to look at the system in the round.

Mark Griffin: I appreciate the cabinet secretary's comments that the timescale might be restrictive, but residents who have been experiencing unsatisfactory factors have had a Government commitment previously. There have not been any updates to the voluntary code or legislation since 2013. How long should we expect that work to take before recommendations are seen and felt by residents?

Shirley-Anne Somerville: I appreciate the need for movement. As I mentioned at a previous meeting, the Government will work on a number of areas between stages 2 and 3, and we will be undertaking work on other areas after the bill is—I hope—passed by the Parliament.

Once stage 2 is over and I have a full understanding of all the work that I have offered to undertake, I intend to write back to the committee to detail the prioritisation and the timescales on those points, so that the committee can take a view on whether it will potentially have different priorities and suggestions.

If Mr Griffin will forgive me, the only reason that I will not suggest a date at that point is that I will wrap it into all the work that I have suggested we progress on the bill, which will allow the committee to have a view of the priorities that the Government will set as part of that process. He might wish to suggest that the issue is more of a priority than some of the other work that we have done, but, if he will forgive me for not putting a timescale on it today, that is the way that I intend to take the issue forward.

Emma Roddick (Highlands and Islands) (SNP): Like you, I have had constituents get in touch and raise some pretty serious issues with factors. I am aware of many situations in which factors are simply stonewalling constituents, who are still having to pay the monthly fee.

Like Mark Griffin, constituents have raised the timescales that are involved. It can seem like an awfully long time to get a conclusion through the First-Tier Tribunal, and the factor, even if found to have breached the code, seems to be able to get back to what it is doing or join another factor board and start again pretty quickly. When it comes to consulting, you mentioned stakeholders and MSPs. Will my constituents also get the opportunity to feed into the review?

Shirley-Anne Somerville: That is an important point. As I said, I could feed in a number of my constituents' experiences. It is important that, if they wish to do so, all members—not only those who are at committee today—have an opportunity to feed in their constituents' experiences.

I have also given a lot of thought about how we need to do this work in the round. As Emma Roddick is aware, the Government can carry out consultations in a number of ways, but people need to be able to directly feed their experiences

into all such processes. That can sometimes be done through representative bodies, as well as via MSPs, or it can be done directly. We are happy to look at that, while recognising that how we do it will impact how long the review might take. However, people's experiences are an important aspect that we need to take account of. Sadly, I recognise the experiences that Emma Roddick has laid out today.

The Convener: Thank you, cabinet secretary—

Shirley-Anne Somerville: If I might continue, convener, as I am not finished—I nearly am.

I turn to amendment 514, in the name of Mark Griffin. The current position is, rightly, that discretion sits with the tribunal to consider on a case-by-case basis what it determines to be a reasonable payment to a home owner. I am not aware of issues of property factors being required to make excessive payments as a result of an enforcement order. It is therefore unclear to me why Mr Griffin wishes to restrict the tribunal's discretion, so I cannot support amendment 514.

Amendment 415, in the name of Sarah Boyack, highlights an important point in relation to property factor registration. I am sympathetic to what the amendment seeks to do, but it is premature to make such changes at this stage, given the need to consult stakeholders and consider the wider work that is under way, such as the Scottish Law Commission's work. I therefore cannot support amendment 415, but I have written to Ms Boyack on the matter.

I appreciate the intent behind amendments 476 and 476A, in the names of Pam Duncan-Glancy and Mark Griffin respectively. However, I am concerned that they could have significant impacts on local authorities and subsequent effects on the services that are provided to owners. As no consultation has taken place, it is not clear how many communities might find themselves in such situations and what the costs for local authorities might be. For those reasons, I cannot support amendments 476 or 476A without further engagement.

I therefore ask Mark Griffin not to press amendment 507. I ask him, Ariane Burgess, Sarah Boyack and Pam Duncan-Glancy to work with me on the wider work to review the property factor system and engage with stakeholders that I have committed to do in the round. I also ask them not to move the other amendments in the group. If they are moved and pressed, I urge members to reject them for the reasons that I have given.

13:30

The Convener: I call myself to speak to amendment 504, in my name, and other amendments in the group. As we have heard from Mark Griffin and Emma Roddick, many committee members will have been asked to help constituents who are experiencing difficulties with property factors. Some property factors provide good services to owners, but many do not.

Since the Property Factors (Scotland) Act 2011 came into force, the number of complaints has grown, starting at 26 and reaching a record high of 338 in 2023. Many owners of factored properties complain that much-needed repairs are not done or that they are delayed, carried out to a poor standard or overcharged for. This really matters to a great many people. Approximately 710,000 Scottish properties—about a quarter of all homes—are managed by almost 400 property factors and letting companies. When owners want to change factors, it can be very difficult to do so, given the high threshold for agreement that is needed. In larger developments that perhaps have many absentee owners, it can be practically impossible, which means that factors lack the incentive to improve and owners are stuck with a poor service.

We do not tolerate that in other markets. If your bank provides a poor service, you can move your account—and the United Kingdom Government has changed the law to make it easier to do that. It used to be much harder to switch energy providers, but energy customers can now switch more easily if they are paying too much or are getting a poor service.

We could do the same with property factors. At the moment, it is very complicated to dismiss or to appoint a factor, and different thresholds for reaching a decision apply to different developments. Amendment 505 would address that by requiring only a majority vote. Previous legislation has already lowered the threshold, so my amendment is not at all unprecedented or experimental.

Amendment 504 would provide for a simple process for requesting that a factor be "removed from the register". Owners would be able to send a request to the Scottish Government on the basis that their factor is falling short of its obligations, and ministers would be under a duty to consider the request and to either remove or retain the factor, giving reasons for the decision. Information on the number of factors removed or retained and the reasons for that would have to be published. That would improve transparency and strengthen the hand of owners against poor factors.

Advice Direct Scotland supports changes to the factoring system. It has stated:

"The kind of reforms and legislation within the Act of 2011 don't really hold factors to account as much as they probably should. There's an urgent need for greater transparency and awareness to ensure homeowners

understand their rights and can effectively challenge unfair factoring practices."

As Mark Griffin mentioned, former MSP Patricia Ferguson, who introduced the bill that became the 2011 act, is supportive of a reset of the relationship between owners and factors. We can discuss the details over the summer and I am happy to make changes to my amendments ahead of stage 3, but it is beyond doubt that the property factoring industry needs to change. Although I appreciate that the Scottish Government might intend to review the situation shortly, it might take years for a review to be established, conducted and reported on and for that to result in changes. Some owners simply cannot wait that long.

I call Mark Griffin to wind up and to press or withdraw amendment 507.

Mark Griffin: We have heard clearly from the cabinet secretary and other members that this is a common problem across Scotland. As the convener said, a quarter of properties across Scotland have some kind of factoring arrangement. The difficulty that has arisen is that, where home owners are not getting the level of service that they expect—where they are paying for an entirely substandard service—the customer service is deplorable to the point that, in response to complaints, home owners are either stonewalled and met with silence or factoring companies, acknowledging the power imbalance, just say, "Well, there's nothing you can do about it". That is a direct quotation that constituents with a bad experience of factoring arrangements have heard from poorly performing factoring companies, which know that, in legal terms, it is so hard for residents to remove a factor that they just do not care. It cannot be fair that a factoring company can give up a contract and have an alternative factor appointed with no consultation or even awareness on the part of residents who pay for it.

Pam Duncan-Glancy raised an example in Cambuslang, where the first time that residents found out that a new factoring company had been appointed to maintain the common areas was when they received their first bill from that company. It cannot be fair that the factoring companies can be changed with no limit, but residents need to get together, hold a public meeting, and get agreement through a vote of more than 50 per cent of residents before a factor sits up and take notice.

I do not intend to press amendment 507 at this point, but I plan to bring a suite of amendments at stage 3. I hope that the Government has heard loud and clear from members around the table the real desire for change to factoring arrangements. The status quo is simply not an option. Residents have waited for a long time for change from the Government, but it has not been forthcoming. I therefore hope to work with the Government between stages 2 and 3 to give residents a more solid list of the changes that we would like to see to support them.

I seek the committee's agreement to withdraw amendment 507.

Amendment 507, by agreement, withdrawn.

Amendment 387 moved—[Shirley-Anne Somerville]—and agreed to.

Amendment 508 not moved.

Amendments 388 to 392 moved—[Shirley-Anne Somerville]—and agreed to.

Amendments 509 to 512, 415, 513, 504 to 506, 514 and 476 not moved.

Section 51 agreed to.

After section 51

The Convener: The next group is on the private rented sector. Amendment 1, in the name of Willie Rennie, is grouped with amendments 2, 135, 135A to 135E, 275, 276 and 256.

Willie Rennie (North East Fife) (LD): Amendments 1 and 2 are designed to require the Scottish Government ministers to publish and review a private rented sector strategy. The purpose of that is to recognise that the private rented sector is part of the solution, not part of the problem. In recent years, the sector has felt as if it is under attack, but we cannot solve the housing emergency without it.

I know that we are not short of housing strategies—or strategies altogether—in the Government, so I am hesitant to propose another one. However, because of the context, it is important to have something that is substantial and inclusive and which sets out objectives and a plan for delivery, and to make sure that that plan is monitored and reviewed every five years. That way, we will ensure that we do not return to the days when we saw the private rented sector as part of the problem, and we will entrench the sector in our housing priorities as a solution to tackling the housing emergency. That is the purpose of my amendments.

I move amendment 1.

Meghan Gallacher (Central Scotland) (Con): Following on from what Willie Rennie said, the housing emergency and the introduction of emergency legislation through the Cost of Living (Tenant Protection) (Scotland) Act 2022 highlighted a significant gap in the Government's understanding of the private rented sector. Given that that sector provides for approximately 13.5 per cent of Scotland's population, its role in the housing system is not only substantial; it is

indispensable. Had a comprehensive strategy been implemented earlier, it is possible that Scotland could have avoided a lot of the housing shortages that we are seeing today. Although I understand why Willie Rennie is wary of bringing in another strategy, his amendments 1 and 2 come from the right place. It is an area that we have to look at as part of this housing bill.

I will touch on amendments 135 and 135A. The charter proposed in amendment 135 would offer a clear and accessible framework to support both landlords and tenants. I hope that the amendment itself would serve as a straightforward tool for communicating key information. I do not want to be overprescriptive when it comes to implementing a charter. The reason for the amendment is to make sure that the rights of the private rented sector are being upheld. The important balance between the sector and tenants would be met through the charter.

Amendment 135A would change when the charter would be published, from 12 months to six months after the proposed new section came into force. I do not intend to move amendments 135 and 135A today, but I would be grateful to hear what the cabinet secretary has to say on the introduction of a charter. I believe that something of this nature—whether it is a strategy, a charter or something else—must be explored as part of the bill.

Maggie Chapman (North East Scotland) (Green): Amendments 135B to 135E seek to support and, I hope, improve on Meghan Gallacher's proposed private rented sector charter. I support the idea of a charter; Meghan's comments indicate why it is so important. Tenants' rights are often not clearly outlined, so it is welcome and important to have a charter that simply explains those rights and how tenants can ensure that they are met.

I recognise that Meghan will not move her amendments today. However, I will give the rationale behind the amendments that I have lodged. Amendment 135B would ensure that key standards were included in the charter—they would not be an optional inclusion. Amendment 135C is intended to ensure that the charter would support tenants' rights as much as possible. Even if we were to vote on Meghan Gallacher's amendments today, I would not move amendment 135C—as I previously discussed with Meghan, we can tweak its wording.

Amendment 135D would ensure that the charter was consulted on appropriately. The amendment is based on the process that has happened with the social security charter.

Amendment 135E would ensure that the charter was available in accessible formats, such as Braille, so that everybody could read and understand their rights.

13:45

Alexander Stewart (Mid Scotland and Fife) (Con): The purpose of amendment 256, in the name of Pam Gosal, is to gather data on how the bill will affect the rental market and to make that data public. During an evidence session, the Minister for Housing commented:

> "Data will be an important aspect of rent controls and of determining what comes through on a local basis, as well as nationally... What levels of investment are coming through for mid-market rent, build to rent and other forms of investment in the housing sector?"—[*Official Report, Local Government, Housing and Planning Committee,* 10 September 2024; c 7.]

That is why the amendment provides for Scottish Government ministers to collect data that would be published annually. That would include:

> "(a) average rental levels, broken down by—
>
> (i) local authority area, and
>
> (ii) number of bedrooms,
>
> (b) the total number of evictions,
>
> (c) the number of rental properties available on the housing market at the time of reporting,
>
> (d) the total level of rent arrears."

Of course, ministers would be free to add any other information that they felt appropriate. Data collection is key when measuring the effects that policies have on the public. If the proper data is not in place, we will not know whether the policy is causing more harm than good. Therefore, I ask members to support the amendment.

Shirley-Anne Somerville: In his opening remarks, Willie Rennie mentioned that the private rented sector is part of the solution. I agree that it is an integral part of our housing system, and that goes all the way from some of the larger investors in the build-to-rent market to smaller landlords who might have only one or a few properties.

I turn to the basis of Mr Rennie's amendments, and I welcome the discussions that I have had with him on them. I want to update him and the committee on discussions that have taken place at the housing to 2040 board. It met on 26 March to discuss the private rented sector and the need for a strategy, and only yesterday it looked at a paper that set out consideration of that new strategy, which was presented by the Chartered Institute of Housing.

The board agreed to return to the issue at its next meeting after the CIH had discussed how best to take forward the scope of and timescales for the strategy with other members of the board, along with Scottish Government officials. I look

forward to that discussion happening at the next board meeting.

The board is best placed to support the consideration of the future strategic direction of the private rented sector and the timing of that work in the context of the on-going housing emergency. I am pleased to say that that work has begun.

Meghan Gallacher: I understand and am pleased to hear that that work is moving in the right direction. However, will the cabinet secretary please keep the committee updated on the progress that is being made? When it comes to the housing to 2040 board, we are not always in receipt of information, which can cause a lot of frustration to members who are trying to find out where we are, the progress that is being made and the outcomes and objectives that are coming from the Scottish Government and the board.

Shirley-Anne Somerville: Certainly, on that particular matter, I will ensure that an update is given to the committee following the next board meeting, when we will discuss the update from the CIH and other members of the board.

I recognise the positive intentions behind the amendments in the name of Meghan Gallacher. A decision on the need for a charter should flow from the development of the private rented sector strategy that the board is considering. That would be a better method of developing a charter, should that be felt to be the best way forward in the strategy that is currently being designed. We do not need primary legislation to develop a charter, so it will remain an option following on from development of the strategy. As I have set out, work is under way within the board on that strategy, and I will keep members updated on that.

Amendment 135C, in the name of Maggie Chapman, seeks to enable the charter to go beyond setting out existing legal requirements and create new rights and responsibilities. That raises concerns, because I do not think that a charter would be an appropriate or lawful way to create new rights and responsibilities. That should be done only via primary or secondary legislation.

Amendment 276, also in the name of Maggie Chapman, would require the court or tribunal to take account of the charter in their decisions. Again, I understand the intention behind the amendment, but it is not required because the tribunal and the court already take into account all circumstances of a case when making a decision, and that could involve a charter in the future.

Amendment 256, in the name of Pam Gosal, would require ministers to prepare an annual report on the operation of the legislation in the private rented sector. I agree that it is important to monitor the operation of the legislation, but an inflexible statutory duty is not the best way to achieve that. Members will remember that, during discussions on an earlier grouping, I committed to working with Graham Simpson on an amendment on a five-yearly review of part 1 of the act. As part of that work, we will consider whether anything more is needed. I hope that that reassures Pam Gosal.

Meghan Gallacher: Will the cabinet secretary take an intervention?

The Convener: We need to move on, because of time.

I invite Willie Rennie to wind up and to indicate whether he wishes to press amendment 1 or to withdraw it.

Willie Rennie: I am very pleased. The development of a strategy represents good progress, however we get to that point. That is a good thing. Doing that through the housing to 2040 group is the sensible way to proceed, and I am grateful to Callum Chomczuk, the national director of the Chartered Institute of Housing Scotland, for the tremendous work that he has done in this area. He has made a constructive proposal for dealing with an identified problem.

Importantly, I am also pleased that, in her opening remarks, the cabinet secretary said that she agrees that the private rented sector has an integral role to play in finding a solution to the housing emergency. For those reasons, I seek leave to withdraw amendment 1.

Amendment 1, by agreement, withdrawn.

Amendments 2, 135, 275, 276 and 74 not moved.

Amendment 191 moved—[Maggie Chapman].

The Convener: The question is, that amendment 191 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Stevenson, Collette (East Kilbride) (SNP)

Against

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

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

Amendment 191 agreed to.

Amendment 192 not moved.

Amendment 462 moved—[Maggie Chapman].

The Convener: The question is, that amendment 462 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 462 disagreed to.

Amendment 463 moved—[Maggie Chapman].

The Convener: The question is, that amendment 463 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 463 disagreed to.

Amendment 464 moved—[Maggie Chapman].

The Convener: The question is, that amendment 464 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 464 disagreed to.

Amendment 542 not moved.

Amendment 543 moved—[Maggie Chapman].

The Convener: The question is, that amendment 543 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Burgess, Ariane (Highlands and Islands) (Green)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Stevenson, Collette (East Kilbride) (SNP)

Against

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

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

Amendment 543 agreed to.

Amendment 132 not moved.

Amendment 224 moved—[Rachael Hamilton].

The Convener: The question is, that amendment 224 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)
Stevenson, Collette (East Kilbride) (SNP)

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

Amendment 224 disagreed to.

Amendment 225 moved—[Rachael Hamilton].

The Convener: The question is, that amendment 225 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)
Stevenson, Collette (East Kilbride) (SNP)

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

Amendment 225 disagreed to.

14:00

Amendment 255 moved—[Ariane Burgess].

The Convener: The question is, that amendment 255 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 255 disagreed to.

Amendment 465 not moved.

Amendment 466 moved—[Maggie Chapman].

The Convener: The question is, that amendment 466 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 466 disagreed to.

Amendments 467 and 468 not moved.

Amendment 469 moved—[Maggie Chapman].

The Convener: The question is, that amendment 469 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 469 disagreed to.

Amendment 492 moved—[Ariane Burgess].

The Convener: The question is, that amendment 492 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 492 disagreed to.

Amendment 493 moved—[Maggie Chapman].

The Convener: The question is, that amendment 493 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 493 disagreed to.

Amendment 544 not moved.

Amendment 545 moved—[Maggie Chapman].

The Convener: The question is, that amendment 545 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 545 disagreed to.

Amendment 546 moved—[Maggie Chapman].

The Convener: The question is, that amendment 546 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 546 disagreed to.

Amendment 547 moved—[Maggie Chapman].

The Convener: The question is, that amendment 547 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 547 disagreed to.

Amendment 193 moved—[Maggie Chapman].

The Convener: The question is, that amendment 193 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

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

Against

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

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

Amendment 193 agreed to.

Amendment 194 moved—[Maggie Chapman].

The Convener: The question is, that amendment 194 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

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

Against

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

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

Amendment 194 agreed to.

The Convener: We will continue. We have nine minutes, so we will move on to the next group, on housing availability. We will probably not get through the whole debate on this group, but I want to maximise the time that we have.

Amendment 223, in the name of Rachael Hamilton, is grouped with amendments 270, 515, 553 and 277.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): Amendment 223 seeks to make practical changes to the Town and Country Planning (Scotland) Act 1997 in relation to permitted development rights for the change of use of a building from agricultural use to use as a dwelling. It aims to unlock such potential by ensuring that regulations and orders that are made under the 1997 act must not place restrictions in relation to the number of separate units or the floor space of the units.

Why am I doing this? I am doing it because rural Scotland needs more homes. The buildings are already available. Amendment 223 would support a lot of what is discussed in relation to rural regeneration in this Parliament by bringing disused buildings back to life, delivering housing faster without taking up new land and making better use of existing infrastructure that is already there. Crucially, it would reflect the variety of agricultural buildings that exists across the country, from small

barns to large steadings, thereby allowing for more creative, efficient and scalable development.

My proposal also fits squarely with the national performance framework 4 presumption in favour of brownfield development. By expanding permitted development rights, it would streamline the planning process, reduce bureaucracy and unlock more opportunities for rural housing without compromising on quality or oversight. In short, this is a practical, low-impact change that would have high-impact results. If the Government was serious about delivering new homes, it would support my very practical amendment.

I turn to the other amendments in the group. We will support amendments 270 and 277, in the name of Mark Griffin. Amendment 270 would require the Scottish ministers to provide regulations that define exactly what constitutes a housing emergency. Amendment 270 also states that if a housing emergency is declared, ministers must outline a strategy to tackle that emergency and lay a report before Parliament on the progress made on that strategy. Amendment 277 seeks to make a technical wording change.

Sadly, we will not be supporting Maggie Chapman's amendment 515, which outlines conditions for the introduction of compulsory sale or lease orders by local authorities, or Ariane Burgess's amendment 553, which seeks to create a register of persons seeking to acquire land to build homes on.

I move amendment 223.

Mark Griffin: Amendments 270 and 277 would, together, require the Scottish ministers to define what "a housing emergency" is by regulations to be published and laid before Parliament within six months of the bill being enacted. The regulations must also define what

"evidence of exit from a housing emergency"

would be, and they would require the Scottish ministers to report to Parliament every six months, from the date on which a housing emergency begins, on the progress of the strategy to end the housing emergency.

A couple of weeks ago, the First Minister helpfully pointed out that I spend my life talking about the housing emergency. He used the word "moan" at the time, but I think that he was having an off day, so I forgive him for that.

Before May 2024, I urged the Government to take notice of the uncomfortable fact that something was going badly wrong with homes in Scotland and that it was leaving thousands of our fellow Scots in need of a permanent safe, warm home. When the Government finally acknowledged that by agreeing to declare a housing emergency, I—along with organisations in the housing sector—asked it to give the term "housing emergency" meaning by taking decisive action to end that emergency.

I cannot help but wonder whether, if I and others had not pushed on the issue, we would still be waiting for the Government to acknowledge that there is a problem. Nothing in its statements or actions has convinced me that it thinks that emergency action is needed to increase the supply of homes in Scotland.

The bill is a case in point. We are dealing with 40-plus pages of provisions and upwards of 650 amendments, including more than 100 from the Government itself. The bill is being scrutinised by two committees; I do not know how many stage 2 meetings there have been across those two separate committees. There has been a Government minister, and there is now a cabinet secretary, to guide it through. However, there is nothing at all from the Government in the bill that will make one more house available to the 700,000 people who are in housing need.

The amendments in this group are the only ones in the entire bill process that even start to acknowledge that we need more houses. I will not rehearse the arguments on whether the Government is taking meaningful action to end the housing emergency in Scotland; that is not the purpose of these amendments. The purpose is to ensure that no future MSP or Parliament has to force the Government to acknowledge and take responsibility for the human catastrophe that is reflected in 40,000 homelessness applications being made in Scotland in a single year.

A housing emergency should not be dictated by political expediency and then quietly forgotten after the news cycle has moved on. The Government has a moral imperative—as does any Government—to end the emergency before more children wake up in houses that are not safe, warm or dry and that are, fundamentally, not their home.

I ask the committee to put that responsibility in the bill and to push the Government to state what it means when it talks about a housing emergency. If we ever find ourselves in the same untenable situation again, I want to force any future Government to make clear, and be measured against, the actions that it will take to end the housing emergency.

The Convener: I think that that is a good point at which to suspend the meeting. We will return at 10 past 3 this afternoon.

14:12

Meeting suspended.

15:14

On resuming—

The Convener: Welcome back. I ask Maggie Chapman to speak to amendment 515 and all other amendments in the group.

Maggie Chapman: I know that people will be sad to hear that this is my last amendment to the bill at this stage.

Amendment 515 is an absolutely crucial amendment. We have heard criticisms that the bill does not do enough to increase the supply of homes, which my amendment seeks to address in specific ways. The "Scottish Vacant and Derelict Land Survey 2023" showed that we have over 9,000 hectares of derelict and vacant land in Scotland. Roughly two thirds of vacant and derelict land is used for residential housing, when it is eventually brought into use.

We also have many houses that are not in use. As of 2024, 31,596 homes had been left empty for more than one year. We have a housing crisis, people living in unsuitable accommodation and local authorities suspending social housing allocations as they are needed for temporary accommodation, yet we also have almost 32,000 homes that could be rented or sold for people to live in.

That situation has to change, and my amendment does that. It would allow local authorities to order a property or land that has been left vacant for a specified period to be sold for housing or rented to tenants. That is not a new idea: England's empty dwelling management orders, which allow privately owned properties to be managed, have been in place for around 20 years. In 2018, the Scottish Land Commission published proposals on that, but the Scottish Government is yet to act on them.

I am very grateful to have Shelter Scotland's support for my amendment. I am not shying away from the fact that the use of such orders is a complicated area, which is why I have largely left the issue to secondary legislation. I also accept that my amendment might need some tweaks or changes. However, given the statistics that I have outlined and the housing crisis that Mark Griffin and others have mentioned this afternoon, we should be using the bill to send a clear signal that we no longer tolerate houses being left empty for years when people are homeless.

The Convener: I will now speak to amendment 553 and other amendments in the group.

Across Scotland, numerous communities and groups, which have place making at their heart, wish to create good-quality community housing. Such projects not only take pressure off taxpayers but can also deliver happier, healthier communities. Too often, the challenge for those groups is getting land. Amendment 553 is intended to make it easier for them to turn the vision of creating a home into reality. Existing legislation requires local authorities to keep registers of those who wish to self-build, but the current register and its associated guidance do not provide enough support to self-build projects. Amendment 553 would change that by reforming the register and its associated processes.

First, it will be open only to local community groups or individuals who plan to live in the house that they build. I have been careful to ensure that commercial developers will not be able to use it as a loophole. Secondly, councils will have to refer to the register whenever they make decisions about planning, housing or land disposal. That requirement will create only a small time and resource burden and will mean that the land supply is matched up with demand. Thirdly, to make the process as simple as possible for councils, I have provided that interested parties are required to ensure that their register entries are up to date. That way, councils do not have to constantly chase up interested parties or rely on what could be an out-of-date register.

Another feature that I have included is a requirement for councils to make a best-value assessment of selling land for self-build, which will allow community housing to scale up more easily, because a project that can prove that it will deliver benefits for the community—for example, by saving the taxpayer money—will be able to access land at a discounted rate. The wording that I have used ensures that the option will not be open to individuals who have to pay market rates. That is very much a first step towards replicating some of the abilities that English and European local authorities have in order to put power into local people's hands, so that they can create homes in their area that meet their needs.

Shirley-Anne Somerville: Amendment 223, in the name of Rachael Hamilton, seeks to remove current restrictions that relate to the number and size of units that can be developed through permitted development rights, which allow certain developments to go ahead without the need for a planning application.

The rights are specified in secondary legislation, so a new or amended PDR can and should be introduced via a statutory instrument following a public consultation period. In 2021, the Scottish Government introduced a new PDR for the conversion of agricultural buildings to dwellings,

subject to certain restrictions, which included a limit of up to five dwellings per farm and a maximum unit size of 150m^2.

The Minister for Public Finance has confirmed that we will carry out a public consultation this summer on the potential role of PDR in delivering more high-quality homes in the right places, including in rural areas. That consultation exercise will provide an opportunity for all parties to make their views known ahead of any PDR being introduced via a statutory instrument. Given that permitted development rights can already be amended through secondary legislation, and in view of the forthcoming consultation, the housing bill is not an appropriate vehicle for the changes that are being sought.

Amendments 270 and 277, in the name of Mark Griffin, seek to place a duty on Scottish ministers to define conditions that would constitute a housing emergency or an exit from an emergency. In the event that such conditions are met, those amendments would compel ministers to declare a housing emergency, publish a strategy to end the emergency and report on the progress of that strategy.

It is extremely difficult to work on an overall definition of what constitutes a housing emergency. As we have already seen, the reasons for doing so are varied and depend on the pressures that face national and local housing markets, as well as international, UK and Scottish economic contexts. Therefore, one size does not fit all. Responding to the housing emergency is also not the sole responsibility of the Scottish Government; it requires a collaborative and flexible approach from all spheres of Government—UK Government, Scottish Government and local government—and partnership working with the housing sector.

Mr Griffin's amendment 270 would keep the reasons for declaring a housing emergency limited to those that are set out in regulations. That could potentially give rise to a situation whereby a unique set of localised circumstances, which could not have been foreseen but which impact on a local housing market, are not covered in regulations. Although ministers would be able to amend the regulations, this perhaps demonstrates that inflexible statutory provisions are not suitable to define a scenario that could vary considerably depending on the circumstances that are prevailing at any given time.

Upon declaring a national housing emergency last May, we accepted the need to move quickly and take action. We have done just that, making significant progress in reducing social housing voids, supporting the acquisition of new affordable housing and addressing levels of private sector empty homes in the areas that are suffering from the greatest temporary accommodation and homelessness pressures. We are accountable to the Scottish Parliament and must demonstrate the progress that we are making.

A broad span of ownership and co-operation is required to deliver comprehensive solutions. This is why, over the past year, we have built a strong collaboration with a range of partners, spanning national Government, local government, housing representative bodies, developers, investors, third sector organisations and tenants groups. The housing to 2040 board is central to driving that collaboration, providing external governance for our overall approach.

Although the situation remains difficult, we are determined to maintain our focus and, working with our partners, we will continue to rise to these challenges. As I mentioned earlier, the housing to 2040 board met only yesterday. That is the formula for moving Scotland through and past the current housing emergency.

Amendment 515, in the name of Maggie Chapman, seeks to introduce a power for local authorities to order the compulsory sale or lease of property that has been "vacant or derelict" for a specified period. That would be to enable the property to be used for residential housing. An order would be made

"on the local authority's own initiative or... on an application by a community body"

and ministers could make "further provision" for those orders in regulations.

I understand and recognise the aims of amendment 515. I reassure Maggie Chapman and the committee that we are committed to doing all that we can to support the best use of land and property in Scotland and to deliver high-quality homes. We have committed to considering the justification for and the practical operation of compulsory sale orders, and we recently asked the Scottish empty homes partnership to look at those powers in the context of long-term empty homes. The results of that work suggest that, although there may be some benefits to a compulsory sale process to complement existing compulsory purchase powers, that would not necessarily result in a simpler, cheaper or quicker tool than compulsory purchase.

We want to build on that work, and I confirm that we intend to consult on compulsory sale or lease orders before the end of this parliamentary session. That consultation could also consider this type of power for wider purposes than residential housing, recognising that there are calls for such powers for a range of purposes that are not just limited to housing.

These are significant powers and they require careful consideration to make sure that they are workable and effective. The compulsory sale or lease of land would be a significant intrusion on the rights of owners under the European Convention on Human Rights, so any legislative framework would need to balance the interests of owners with the interests of the wider community to ensure that measures are appropriate.

Consultation would help to ensure that any such powers will deliver what is needed and that they are appropriate and proportionate. Consultation will also enable us to understand the impact that a compulsory sale or lease order might have on a property owner. That will be vital in building safeguards into the system to protect the interests of property owners by, for example, creating an appeals process or rights to compensation.

There are additional and complex matters to consider in relation to compulsory leasing. A compulsory lease could force a property owner into a contractual relationship that they might have no desire to enter. We would need to be clear about the obligations that would apply to the landlord, and that could also be considered in the forthcoming consultation.

At the same time, compulsory purchase powers can already be used to acquire land and property in a wide range of circumstances, including bringing vacant and derelict land back into use for housing. In recognition of that, in 2025-26, we are funding a pilot to increase the number of local authorities that are systematically using compulsory purchase orders to tackle long-term empty homes.

We are also implementing a comprehensive programme of work to reform and modernise Scotland's compulsory purchase system, with a view to making it simpler, more streamlined and fairer. A substantial consultation on the proposed changes is planned for September.

As I have already set out, amendment 515 would introduce significant and novel powers, and I am sure that committee members would agree that it is vital that they are workable and that they deliver practical benefits. We will consult on the powers before the end of the current parliamentary session, so, although I share the ambition to make sure that the powers are available to make the best use of our land and buildings, I am afraid that I view amendment 515 as premature at this point.

Amendment 553, in the name of Ariane Burgess, seeks to repeal section 16E, "Publication of list of persons seeking land for self-build housing", of the Town and Country Planning (Scotland) Act 1997, and insert seven new sections relating to registers of persons who are seeking to acquire land to build a home. Those provisions would put additional duties on local authorities and ministers to produce regulations and statutory guidance.

The changes that are proposed in amendment 553 are unnecessary and would add undue complexity. The amendment would replace a provision that was introduced in the Planning (Scotland) Act 2019, which already meets the same objective and sits well in the development, planning, and decision-making structure of Scotland's planning system. It would divert limited planning resources from supporting the priority of development delivery and impact on progress with local development plans and the wider work that is being done to tackle the housing emergency through actions within the planning and housing emergency delivery plan.

The Convener: I hear what the cabinet secretary is saying about the provisions in the 2019 act. However, I have drawn on provisions in the Self-build and Custom Housebuilding Act 2015. I am looking for more support for self-build and custom-build. I am just wondering whether something needs to be looked at in existing legislation. This is all similar to some of the conversations that we have been having during the work on the bill about putting more support into it so that communities can come forward and get land. It is another approach to finding ways of bringing forward the housing that we urgently need.

Shirley-Anne Somerville: I absolutely share the sentiment that is behind the amendment to ensure that we are making the best use of land and making more property available. I also recognise the important role of self-build in dealing with the housing emergency.

However, as I have set out, I do not believe that the proposal is necessary or that it will achieve the outcome that we both wish to see. I have asked my officials to ensure that I am kept up to date with what is happening in the rest of the UK to see whether there are lessons to be learned. Following the work that will come to me, I would be happy to contact you, convener, to see whether we can take something forward together. I assure you that I will endeavour to look at that in short order to see whether anything can be done in the area.

In conclusion, I ask for amendment 553 not to be moved.

The Convener: I call Rachel Hamilton to wind up and to press or withdraw amendment 223.

15:30

Rachael Hamilton: I will be clear from the outset that I will press amendment 223, for the following reasons. The issue is so important: what

might have happened if I had not lodged this amendment on improving the current position on permitted development rights? We are in a housing emergency—that has been mentioned so many times during the course of the bill—and the group of amendments is entitled "Housing availability".

I really appreciate the cabinet secretary's comprehensive explanation about bringing forward a consultation and then a Scottish statutory instrument. However, we are getting to the point at which there are so many consultations. We are here as legislators to make it clear that we want to give confidence not only for housing investment but to those in the rural sector. If we did a little search in the *Official Report* for conversations in the chamber on "permitted development rights", we would find that it has come up numerous times among rural MSPs. Amendment 223 would ensure that we are more flexible, that we simplify and speed up the whole process and that we open up opportunities with barns and steadings.

Shirley-Anne Somerville: I reassure Rachael Hamilton that I absolutely share her endeavour to ensure that we deliver more homes, particularly in rural areas. The Government and the Minister for Housing were already looking at permitted development rights before the amendments were lodged; the issue was very much on his radar.

My concern is that permitted development rights are an exceptionally powerful tool. That means that, if we are to grant those rights, we must consider very seriously the implications of doing so and, indeed, the difficulty of ever taking them away, and that is why the best way to do this, even if we include the aspect that Rachael Hamilton might wish to bring in, is through consultation and secondary legislation to allow that work to continue. Permitted development rights are an exceptionally powerful part of the planning system, and I am loth for this to be done, regardless of the issue, without consultation taking place to allow people to have their say.

Rachael Hamilton: I appreciate that explanation, but there are steading developments that are currently being held back that could offer, for example, farmers the investment that they need—especially in the current financial climate. They could develop their steadings and provide accommodation for people who are working in, for example, diversification on their farms, but they are being held back. Depopulation has become more acute in remote and rural areas, and the provisions in my amendment would go a long way to solving some of those issues without having to go through a consultation this summer and beyond. We have an election coming up next year, so there is an urgency to this. I will press amendment 223.

The Convener: The question is, that amendment 223 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

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

Against

Burgess, Ariane (Highlands and Islands) (Green)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Stevenson, Collette (East Kilbride) (SNP)

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

Amendment 223 disagreed to.

Amendments 459 and 460 not moved.

The Convener: The question is, that amendment 461 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)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Alexander (Mid Scotland and Fife) (Con)

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

Amendment 461 disagreed to.

The Convener: The next group is on non-domestic rates. Amendment 568, in the name of Rachael Hamilton, is the only amendment in the group.

Rachael Hamilton: Amendment 568 would require the Scottish Government to undertake a comprehensive review and publish a report on the classification and assessment of properties with regard to their liability for non-domestic rates. The link between NDR classification for self-catering properties and housing data accuracy has, very recently, become increasingly significant. A growing number of legitimate operators have been removed from the NDR register, despite meeting the 70-night occupancy threshold and operating in full accordance with the law.

Many businesses in my constituency in the Scottish Borders have raised that issue with me, and I would be surprised if other members in the room were not aware of the significant issue that

exists nationwide, from the Highlands to the lowlands. Those business operators told me that formal notifications were never received from the assessor as a result of some assessors outsourcing delivery to a third party. That has led to backdated council tax bills—often at double rates—and significant distress for businesses that have had no opportunity to respond, appeal or defend their compliance.

A national survey conducted by the Association of Scotland's Self-Caterers, which involved 333 self-catering businesses, found that 39 per cent of businesses had been removed from the NDR roll; 63 per cent of affected businesses had not received a letter; 95 per cent could demonstrate more than 70 nights of occupancy; 81 per cent had received backdated council tax bills, in some cases exceeding £100,000; many had lost access to the small business bonus scheme, deepening the financial pressures that they faced; and 67 per cent had reported experiencing severe stress or anxiety.

Those are not isolated incidents, and I urge members to consider that the majority of such businesses are run by women in rural areas and that the whole industry supports a huge number of jobs, including 1,200 jobs across the Borders.

The review process that would be introduced under the provisions in my amendment would provide a comprehensive evaluation of how self-catering property assessments are conducted and communicated, thereby ensuring their accuracy, transparency and fairness. It would examine the processes that are used by assessors.

I move amendment 568.

Shirley-Anne Somerville: Amendment 568, in the name of Rachael Hamilton, would require the Scottish ministers to review, within two years of the bill receiving royal assent,

"the assessment and classification of properties which could be used as housing, for the purpose of liability for non-domestic rates."

It would prescribe the factors to be considered in carrying out the review, and would require that ministers publish and lay before Parliament a report that includes a statement of what action, if any, is to be taken.

Although the amendment might be intended to target in particular the assessment and classification of self-catering holiday accommodation, which in many—but not all—cases could be used as housing, other types of property would also be subject to review. For instance, hotels, aparthotels, guest houses, bed and breakfasts, caravans, timeshares and show homes are all potentially suitable for providing housing. The valuation of all non-domestic property, including the classification of properties on the valuation roll, is a matter for Scottish assessors, who are independent of central and local Government.

Assessors carry out regular revaluations of non-domestic properties, and the next revaluation is on 1 April 2026, when the values of all non-domestic properties on the valuation roll will be updated to reflect current market conditions. Assessors are currently collecting relevant information to help to inform that revaluation.

Self-catering accommodation properties are also subject to an annual audit to ensure that they meet the requirements that classify them as self-catering holiday accommodation that is liable for non-domestic rates rather than for council tax. The requirement that owners or occupiers of self-catering properties prove an intention to let for 140 days in the year and evidence of actual letting for 70 days was introduced in 2022, in response to a recommendation of the independent Barclay review, to prevent the owners of second homes or empty homes seeking to have their accommodation classed as non-domestic in order to avoid paying council tax.

Where a property is not determined to be self-catering holiday accommodation for the purposes of non-domestic rates, it will be removed from the valuation roll, and liability to pay council tax will arise.

The independence of assessors and valuation is critical for the credibility of the non-domestic rates system. The Scottish Government keeps all non-domestic rates policies under review. Therefore, I ask the member not to press amendment 568.

The Convener: I call Rachael Hamilton to wind up and to press or withdraw amendment 568.

Rachael Hamilton: I declare an interest on this point: my husband has a hotel in the Borders. I cannot understand the link between self-catering businesses and hotels in this context. It was self-catering businesses—a hotel is not a self-catering business—that were removed from the non-domestic rates system and reclassified on to the council tax list. Amendment 568 ensures that there is fair treatment for those small businesses under only the short-term lets taxation rules.

Self-catering accommodation makes up only 0.8 per cent of Scotland's housing stock but it is so important because it provides jobs and an income to people who, because they live in a rural area, do not have any option other than to run that type of business. It is important that Scottish ministers address these concerns. The sector is in trouble at the moment because it is facing double council tax bills, which are completely unaffordable. It is taking any income that the sector has had to pay bills going right back to 2023-24. It is important

that there is an evidence-based system that will allow local authorities and self-catering businesses to understand the implications. Otherwise, we might find ourselves in a precarious position when people start to come out of the sector. I press amendment 568.

The Convener: The question is, that amendment 568 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)
Stevenson, Collette (East Kilbride) (SNP)

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

Amendment 568 agreed to.

Amendment 270 moved—[Mark Griffin].

The Convener: The question is, that amendment 270 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)
Stevenson, Collette (East Kilbride) (SNP)

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

Amendment 270 agreed to.

The Convener: I thank members, the cabinet secretary and her officials and conclude the meeting for today. Next week, on Tuesday, we will begin with the group on co-housing and housing co-operatives.

Meeting closed at 15:43.

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