

# Report tracking the work of the Local Government, Housing and Planning Committee 2022-23



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To consider and report on matters relating to local government and planning falling within the responsibility of the Cabinet Secretary for Finance and matters relating to housing and tenants' rights within the responsibility of the Cabinet Secretary for Social Justice and matters relating to the Local Government Boundary Commission and local governance review and democratic renewal within the responsibility of the Deputy First Minister.



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# Introduction

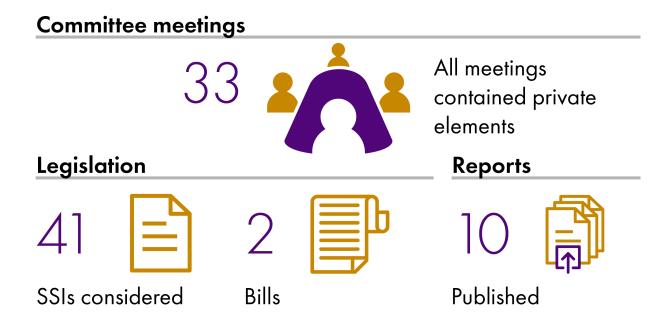
- 1. At its meeting on 14 June 2022, the Committee agreed that it would produce a report annually reflecting on its work in the preceding year, tracking ongoing work, the Scottish Government's response to that work and looking ahead to work in the coming year.
- 2. The Committee believes that a critical feature of an effective committee is a commitment to follow-up on its inquiries and ensure that the recommendations it has made have been acted upon and progress made. This report is a key element of this follow-up work, allowing the Committee to track its work and in turn hold the Scottish Government to account.
- 3. This report reflects on the work of the Local Government, Housing and Planning Committee in the second year of session 6 and looks ahead to the Committee's work in its third year. In particular, the report considers the extent to which recommendations made in last year's report have been progressed.

# Committee's guiding principles and objectives

- 4. The Committee believes that it can be most effective by focusing on a select number of issues and pursuing them throughout the session. This is a more effective approach than the Committee moving from one issue to another without having the opportunity to re-visit work and assess progress. It gives the Committee the opportunity to ensure that the Scottish Government is responding to the Committee's its recommendations in a meaningful way.
- 5. The Committee is keen to ensure that the issues it does pursue are reflective of the concerns of its stakeholders and the wider community and works with stakeholders and communities to:
  - · identify priorities;
  - · develop and undertake inquiries; and
  - · track recommendations arising from those inquiries.
- 6. The Committee is also keen to improve public understanding of local government, housing and planning and to demystify them, in order to enable people to better engage with those services and in turn improve people's experience of them.

# Reflections on the second year of the session and progress since year one

7. The first part of this report reflects on the second year of this session and the progress that has been made on recommendations since the Committee's last tracking report. The following infographic, provides a brief summary of the work the Committee has done this year.



#### Source:

- 8. This report is not intended to be a definitive account of everything done by the Committee, but rather a summary of the key issues explored by the Committee that it will continue to pursue throughout the session. This report builds on last year's report, which formed a baseline against which all future reports would be measured.
- 9. The report is split into three sections, focussing in turn on the Committee's work in relation to local government, then housing and finally planning.

#### **Local Government issues**

- 10. This section of the report reflects on the local government issues considered by the Committee this year and progress made in relation to recommendations from the Committee's work last year. Specifically it considers the Committee's work on:
  - · The local governance review
  - · The New Deal
  - Understanding barriers to participation in local politics
  - Community Empowerment (Scotland) Act 2015 post-legislative scrutiny
  - Community Councils

Non-Domestic Rates

#### **Local Governance Review**

- 11. The Local Governance Review was jointly launched by the Scottish Government and COSLA in December 2017 to consider how powers and resources should be shared between national and local government, and with Scotland's communities.
- 12. The Review was optimistic about "a new relationship with public services where communities have greater control over decisions". This was to involve some initial projects with "new autonomous and democratically accountable decision-making bodies". However, shortly after the Government and COSLA updated council leaders on plans for the Local Governance Review in late 2019, all progress was paused, firstly due to the COVID-19 pandemic and secondly because of the Scottish Parliament elections.
- 13. In last year's report the Committee reflected on the lack of progress and urged the Scottish Government to make more progress and to do so promptly.
- 14. This year the Committee has seen significant progress in relation to the New Deal with Local Government, however, progress on the Local Governance Review has not been as forthcoming. The Committee wrote to the Scottish Government stressing the importance of the Local Governance Review and asking for timescales for progress. The Scottish Government replied setting out its plans:
  - The Scottish Government remains committed to the principle of subsidiarity and ensuring that decisions are taken as close as possible to the people they most affect. We're pleased to confirm that the Democracy Matters national conversation will resume on 28 August as part of the Local Governance Review (LGR). The engagement process will last for 6 months, providing communities of place and interest an important opportunity to have their say on the future of decision-making in their towns, villages and neighbourhoods.<sup>ii</sup>
- 15. Further to this the Minister for Local Government Empowerment and Planning told the Committee at its meeting on 5 September 2023 that the output from the Democracy Matters conversation was expected in the early part of next year. iii
- 16.The Committee welcomes the re-instigation of the Democracy Matters conversation. It is good to see the Local Governance Review come into full focus. At the same time, conversations in and of themselves will not precipitate the kind of change required to provide genuine empowerment to communities. The output from the Democracy Matters conversation must include a plan for making a meaningful change to allow communities to have a greater say over decisions that affect them.

i https://www.gov.scot/policies/improving-public-services/local-governance-review/

ii Correspondence from the Minister for Local Government Empowerment and Planning and Minister for Community Wealth and Public Finance

iii Official Report of the Local Government, Housing and Planning Committee meeting, 5 September 2023



No response



Still pursuing the issue



Accepted recommendations

Source:

#### **New Deal**

- 17. In its report last year the Committee noted the Scottish Government's intention to reach agreement on a new deal with local government delivering greater flexibility over financial arrangements and fiscal powers for local government, based on a clear commitment to delivering shared priorities and outcomes, whilst ensuring maximum value for money.
- 18. The Committee has held a number of evidence sessions this year seeking to understand what is needed from a new deal. You can read the official reports of those sessions at the links below:
  - 13 December 2022 (Council Leaders, COSLA and SOLACE)
  - 17 January 2023 (Cabinet Secretary for Social Justice, Housing and Local Government)
  - 31 January 2023 (Accounts Commission, Audit Scotland, local government Directors of Finance focus on fiscal arrangements)
- 19. Further to that, on 9 May 2023, the Committee jointly hosted an event with Scotland's Futures Forum to further consider the future relationship between central and local government in Scotland. This conference brought together MSPs and a range of stakeholders from central and local government, academia, and the public, private and third sectors to explore what is required to improve the relationship between local and central government. The Report of the event can be accessed using the following link: Central and Local Government: Building for the Future -Event Report
- 20. At that juncture the Committee was concerned that progress toward a new deal was still slow and the prospect of a new deal looked relatively remote. In the two months following the event, however, it became clear to the Committee in its interactions with both COSLA and the new Minister for Local Government Empowerment and Planning that there was a new tone and impetus to the discussions around a new

6)

deal.

- 21. It was therefore very pleasing, if not altogether surprising, when the Verity House Agreement was published on 30 June, setting out a new partnership agreement between local and central government.
- 22. The Committee explored issues around the New Deal with the Minister and COSLA at its meeting on 5 September 2023. The Minister noted that the Verity House Agreement is just the first phase of the New Deal for local government:
  - The Verity house agreement is part of the new deal with local government and is the partnership agreement. There are three other aspects underneath that [...] The first aspect is the fiscal framework, the second is the completion of the local governance review, which we have talked about, and the final strand is the joint work programme, which has an outcomes and accountability framework.
- 23. The Minister stressed the importance of the outcomes and accountability framework and his expectation that this framework can give the New Deal a sustainability that the Concordat<sup>iv</sup> between National and local government did not have.
- 24. Both the Minister and COSLA spoke optimistically about the positive tone that has been set by the Verity House Agreement and its potential to re-set the relationship between the local and national spheres of government in the context of further conversations.
- 25. The Committee will be closely monitoring the ongoing discussions between the Scottish Government and COSLA following the Verity House agreement and will carefully scrutinise the outcomes of those discussions. In the short-term the Committee is particularly interested in the development of the new fiscal framework and how this will inform the budget this year and in future years. In the longer term the Committee will wish to see how this new framework contributes to progress on the three shared priorities set-out in the Verity House Agreement. Ultimately this New Deal for local government will be judged on the extent to which it is enabling local authorities to deliver on the ambitions of these three shared priorities in their individual ways across Scotland.
- 26. The Committee will also be closely scrutinising the outcomes and accountability framework, so as to ensure that Parliament can effectively scrutinise how the Scottish Government and local government are delivering on their shared priorities. We will also be monitoring the stability of this New Deal to ensure it can be be sustained in a way that 2007's Concordat between local and national government was not.
- 27. The Committee hopes that this exercise will afford national and local government an opportunity to articulate their new roles and responsibilities and in turn improve public understanding of and engagement with local government. The Committee will consider

iv https://www.webarchive.org.uk/wayback/archive/20180205205315/http://www.gov.scot/resource/doc/923/0054147.pdf

v https://www.gov.scot/news/a-new-deal-with-local-government/

how it can contribute to this process.



No response



Still pursuing the issue



Accepted recommendations

Source:

#### Understanding barriers to participation in local politics

- 28. During the last reporting year the Committee issued a call for views and held an evidence session looking at the barriers deterring younger people, women, disabled people and people of colour becoming councillors or remaining as councillors.
- 29. In its last report the Committee recognised the significance of this issue and expressed an ambition to pursue this issue throughout the session and drive genuine improvement in the diversity of representation. The Committee agreed to return to the issue following the publication of the Scottish Government's analysis of the diversity of candidates in May 2022's local elections.
- 30. The Committee took evidence from Scottish Government officials on the results of the Candidate Diversity Survey on 6 December 2022. The Committee also took evidence from relevant stakeholders on 1 November 2022, with a particular focus on increasing participation of women in local politics.
- 31. 28.2% of candidates responded to the Candidate Diversity Survey and as such it is difficult to draw many conclusions on what progress may have been made on the basis of that return rate. The Committee will continue to reflect on what more could be done to improve that return rate and allow for more informed conclusions to be drawn.
- 32. The Committee recognises that one of the key barriers to participation in local elected politics is the relatively low rate of pay to councillors. In November 2022, the Scottish Government reconvened the Scottish Local Authorities Remuneration Committee (SLARC) "to undertake a one-off independent review of Councillor remuneration" before making recommendations to the Scottish Government about councillors' pay. SLARC is expected to report its findings in autumn 2023 and the Committee expects to take evidence on the report when published.
- 33. In March 2023, the Committee wrote to political parties represented in councils

asking what steps they were taking to encourage greater diversity in their candidates and councillors. The Committee's letter and the responses from parties can be accessed on the Committee's website. In June 2023, the Committee wrote to Scottish local authorities asking about the services and support they provide to councillors. The letter can also be accessed on the Committee's website and responses will be posted online in due course.

34. The Committee will pursue this issue further once the report of SLARC has been published. In that context the Committee will also reflect on the responses from political parties and local authorities. The Committee maintains its ambition to drive real improvement in the diversity of representation.

#### Status - Still pursuing this issue



No response



Still pursuing the issue



Accepted recommendations

# Community Empowerment (Scotland) Act 2015 – post-legislative scrutiny

- 35. The Community Empowerment (Scotland) Act 2015 was passed during Session 4 of the Parliament. It seeks to encourage and promote community participation and engagement in local decision-making, by enshrining it as a right in law in a variety of different situations.
- 36. Last session this Committee's predecessor committee began post-legislative scrutiny of the Community Empowerment (Scotland) Act 2015 by looking at:
  - Part 3 on participation requests
  - · Part 5 on asset transfers
- 37. Given the significance of this legislation, this Committee agreed to continue the work of its predecessor committee, focussing on:
  - · Part 2 on community planning
  - · Part 9 on allotments

Report tracking the work of the Local Government, Housing and Planning Committee 2022-23, 8th Report 2023 (Session 6)

- 38. The Committee undertook work looking at Part 9 in 2022. We found that there are large and increasing waiting lists for allotments, despite the requirements of the Act. The Committee's recommendations included increased leadership from the Scottish Government, the creation of a national partnership forum bringing together local authorities and other partners, and some specific measures local authorities could take to improve access to allotments and food growing spaces.
- 39. The Committee returned to this issue this year, inviting both stakeholders and the Scottish Government to set-out what progress has been made in response to the Committee's recommendations.
- 40. The Community Growing Forum and the Glasgow Allotments Forum both expressed frustrations<sup>vi</sup> that they have not yet seen the developments needed to address demand for and access to growing spaces. At its meeting on 5 September the Committee highlighted these frustration to the Scottish Government and COSLA.
- 41. The Minister for Local Government Empowerment and Planning stressed to the Committee the importance the Scottish Government places on allotments and community growing more generally. He recognised that there had been a focus on the Good Food Nation recently and that because of this the work on allotments had slowed down. At the same time, he also highlighted the opportunity that the Good Food Nation provides to develop allotment services across Scotland now. VII
- 42. The Committee will return next year again to see what progress has been made and will be disappointed if stakeholders are still expressing frustrations about the lack of progress.
- 43. This year the Committee focussed its attention on Part 2 of the Act. The Committee found that there are significant regional variations when it comes to how effective Community Planning Partnerships are in providing meaningful support to their communities through partners collaborating and joined up working.
- 44. The Committee explored the Committee's conclusions with the Minister for Local Government Empowerment and Planning and COSLA at its meeting on 5 September.
- 45. The Minister accepted that there is variation in how CPPs operate across Scotland. He stressed that improving the effectiveness of CPPs is not something that can be done in a top down way. Rather he stressed the importance of working collaboratively to share best practice.
- 46. The Committee appreciates that the Scottish Government is in the midst of reviewing the Act in its entirety. The Committee looks forward to the outcome of that review and hopes that it might prompt further reflections on the value of CPPs, particularly given the prominence they are given in the Verity House

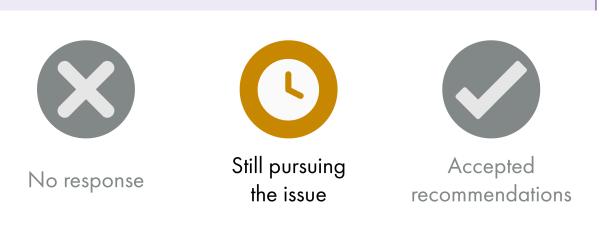
vi Responses from Community Growing Forum and Glasgow Allotments Forum vii Official Report of the Local Government, Housing and Planning Committee meeting, 5 September 2023

#### Agreement.

- 47. At the session on 5 September, the Committee also explored with the Minister for Community Wealth and Public Finance and COSLA the effectivenes of Parts 3 and 5 of the Act.
- 48. Part 3 of the Act introduced the right for a community to make a 'participation request' a request to participate in a process to improve the outcome of a public service. The public body must agree to the request for dialogue unless there are reasonable grounds for refusal.
- 49. The Local Government and Communities Committee explored in 2021 if this aspect of the Act had been successful in making public bodies more responsive to the communities they serve. Its report<sup>viii</sup> provides more detail but the key findings were:
  - Low numbers of participation requests at that point made it difficult to
    determine how successful the process has been, but the committee doubted
    that the low number of requests indicated high satisfaction with local services
    and recommended that the Scottish Government and COSLA together needed
    to ensure there is improved awareness of the right to make a participation
    request
  - The Committee recommended that the Scottish Government introduce an appeals mechanism for community bodies in order to improve public bodies' handling of participation requests. Appeals should be considered independently of local government and the relevant public body.
- 50. Part 5 of the Act aimed to enable communities to have more control of a local building or plot of land and put it to good use, through an 'asset transfer'. The Act sets out how a 'community transfer body' can request to buy, lease, manage, occupy or use land or buildings belonging to a 'relevant authority'. It also set out how the authority should deal with asset transfer requests. Public bodies must be transparent in how they assess requests and agree to them unless there are reasonable grounds for refusal.
- 51. The Committee found in 2021 that there had been many more asset transfer requests than participation requests, and there was a much better awareness of the right. It heard though that the process seemed to be becoming more onerous and that communities were not always well supported.
- 52. The Committee heard from the Glasgow Allotment Forum in correspondence in August 2023 that the asset transfer process remains an overly bureaucratic and onerous one.
- 53. At the session on 5 September, the Minister for Community Wealth and Public Finance set out how asset transfers and participation requests have been used:

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- ...since the respective powers came into force, we have seen some 79 participation requests and more than 200 asset transfer requests, with many more applications having subsequently been made. They are playing an important part in the ecosystem of community empowerment, and they are important tools in enhancing a more participatory approach to our democratic culture...<sup>ix</sup>
- 54. At the same time the Minister recognised that in the context of the review of the Act there was an opportunity to consider how both asset transfers and participation requests could be more effective tools for communities. In particular, the Minister agreed to consider the issue of an appeals mechanism for communities in relation to participation requests.
- 55. The Committee welcomes the Minister's commitment to consider the effectiveness of these tools in the context of the review of this Act. In particular, the Committee welcomes the Minister's commitment to look at an appeals mechanism in relation to participation requests. The Committee also urges the Scottish Government during the review to consider how the asset transfer process could be more accessible and less onerous.
- 56. This Act is a vital piece of legislation to empower communities but the experience of stakeholders would suggest that it is not delivering to the extent that was intended. The Committee looks forward to considering the Scottish Government's review of the Act and hopes that the review will set out an ambitious programme for how the Act can deliver genuine community empowerment.



Source:

#### **Community Councils**

57. On 23rd May the Committee's meeting marked the 50th anniversary of the Local

ix Official Report of the Local Government, Housing and Planning Committee meeting, 5 September 2023

Government (Scotland) Act 1973 which established Community Councils ('CCs'). Community Councillors joined Members for a round-table discussion and a panel of witnesses provided wider context about the position in Scotland and comparison with England's equivalent system.<sup>x</sup>

- 58. As part of its review of the Community Empowerment (Scotland) Act and its ongoing work in relation to the Local Governance Review, the Committee has noted the role that community councils can play and the variance in experience.
- 59. The Committee explored the role of community councils with the Minster for Community Wealth and Public Finance at its meeting on 5 September. The Minister noted that the outcome of the next phase of the Local Governance Review could result in an increased role for community councils, but that he had no pre-set position. xi
- 60. The Committee considers that community councils could play a more effective role and has written to the Scottish Government making suggestions informed by its evidence session in May. XIII
- 61. The Committee will return to this issue next year and reflect on the Scottish Government's response.



No response



Still pursuing the issue



Accepted recommendations

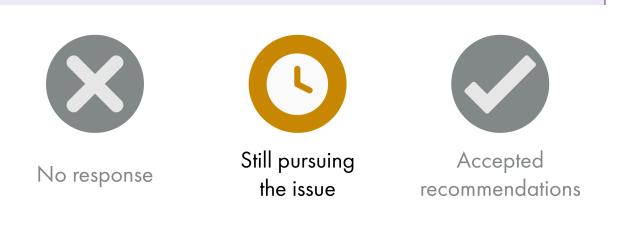
Source:

#### **Non-Domestic Rates**

- 62. Last reporting year the Committee considered the Non-Domestic Rates (Coronavirus) (Scotland) Bill.
- 63. The Committee expressed concern about the impact of a high volumes of appeals
- x Official Report of the Local Government, Housing and Planning Committee meeting, 23 May 2023
- xi Official Report of the Local Government, Housing and Planning Committee meeting, 5 September 2023
- xii Letter from the Convener to the Minister for Community Wealth and Public Finance, 8 September 2023

on assessors. The Committee welcomed the Scottish Government's decision to extend the deadline for revaluations, but requested six-monthly updates from the Scottish Government on the volume of material change of circumstances appeals assessors have to dispose of. The latest update information highlights that the number of outstanding non-revaluation, or running roll, appeals was 50,616 as at 31 March 2023, a decrease of 39,814 compared with the outstanding appeals at the end of March 2022.

- 64. The independent Barclay Review of Non-Domestic Rates called for reforms to the appeals system to modernise the approach, reduce appeal volume and ensure greater transparency and fairness, and a new two two-stage appeals system was introduced on 1 April 2023. The Committee will be keen next year to understand the impact of this new system. The Committee notes that new system has precipitated an extension to the deadline for appeals this year. Next year the Committee will reflect on how effective the new appeals system has been in contributing to a reduced appeal volume and greater transparency and fairness.
- 65. The Committee will consider the impact of the new system on the volume of the appeals and the capacity of assessors to deal with them.



Source:

### **Housing issues**

- 66. This section of the report reflects on the housing issues considered by the Committee this year. Specifically it considers the Committee's work on:
  - Affordable housing
  - Retrofitting of housing for net-zero
  - · Cost of Living (Tenant Protection) (Scotland) Bill
  - Short-term lets regulations
  - Building safety

· Damp and mould in the rental sector

### Affordable housing

- 67. The Affordable Housing Supply Programme (AHSP) comprises a range of funding mechanisms to enable affordable housing providers to deliver homes for social rent, mid-market rent, and low-cost home ownership in communities across Scotland to support local authorities' Local Housing Strategies.
- 68. The Scottish Government's current commitment is to deliver 110,000 affordable homes by 2032, of which 70% will be available for social rent and 10% will be in remote, rural and island communities. The Scottish Government plans to invest around £3.6 billion in its affordable housing supply programme during the current parliamentary term. A total of £831 million was available in 2022/23.
- 69. The Committee held sessions on this programme in the early part of this parliament to see how effective the programme was in delivering affordable homes to meet Scotland's housing needs. This was also the focus of the Committee's pre-budget scrutiny in 2022.
- 70. In those pre-budget scrutiny sessions while witnesses spoke positively of the ambition shown in the Scottish Government's affordable housing supply programme, they also expressed some reservations about the financial viability of the programme. Witnesses were doubtful about the capacity to deliver the promised programme of house building and were also concerned that the costs of the building programme, including meeting the Energy Efficiency Standard for Social Housing (EESH2) would be passed on to tenants. Concerns were also expressed to the Committee on the impacts of the increasing costs of materials and skill shortages, particularly in a rural setting.
- 71. Given these financial pressures, the Committee pressed the Scottish Government to progress work on alternative financing models to support the delivery of the programme.
- 72. The Committee wrote to the Minister for Housing in June 2023 asking him for an update on progress toward the affordable housing target and as well as the progress being made in developing alternative financing models to deliver on it.
- 73. In his response the Minister expressed his ongoing commitment to meeting the target. He also noted that the 10,458 affordable homes which were delivered over the period 1 April 2022 to 31 March 2023 is the highest annual figure since the start of the statistical series in 2000.
- 74. The Committee notes stakeholders' ongoing concerns about whether the Government's affordable homes target will be met and in particular whether the capital funding necessary will be available and whether funding can be maintained alongside competing priorities. It is pleasing to see the Scottish Government's Innovative Finance Steering Group making progress. As noted in the Minister's letter, at the time of writing in July 2023, however, the Group had only met once. The Committee would welcome swifter progress.

75. The Committee will continue to scrutinise progress on meeting the affordable homes target and the funding for it throughout the session. The Committee will also continue seeking to understand better the housing needs of Scotland and how the affordable housing target contributes to meeting those needs. The Committee welcomes that we now have a specific Minister with responsibility for Housing and hopes that this new focus can give new impetus to this and all strands of housing work.

#### Status - still pursuing this issue



No response



Still pursuing the issue



Accepted recommendations

#### Retrofitting of housing for net zero

- 76. Homes in Scotland account for around 13% of Scotland's total greenhouse gas emissions. Therefore, to meet the of target of reducing overall emissions by 70% by 2030, and the net zero target by 2045, Scotland's homes will need to become significantly more energy efficient and use zero or almost zero carbon heating sources.
- 77. The Scottish Government aims to reduce emissions from heat in buildings by 68% from 2020 to 2030.
- 78. In its report last year the Committee expressed concern about the lack of urgency in progressing this issue. In particular, the Committee highlighted the lack of funding being made available to deliver on retrofitting and the lack of public awareness of what is required of individuals.
- 79. The Minister has highlighted to the Committee that the Scottish Government is allocating at least £1.8 billion over the course of this Parliament to accelerate the deployment of heat and energy efficiency measures and to support those least able to pay. Xiii
- 80. Since the Committee's last report, however, the progress made in retrofitting Scotland's homes for net-zero has been limited.
- 81. At its meeting on 12 September 2023<sup>xiv</sup>, the Committee considered regulations to

prohibit new buildings (domestic and non-domestic) and some conversions from using 'direct emissions heating (DHE) systems' to meet their space heating, cooling and hot water demand.

- 82. While expressing support for the regulations, the Committee urges the Scottish Government to place more emphasis on workforce planning to ensure that we have a sufficiently skilled workforce to install zero direct emissions heating technologies.
- 83. The Scottish Government has intimated that it will bring forward a Heat in Buildings Bill to prohibit the use of 'direct emissions heating (DHE) systems' to meet the space heating, cooling and hot water demand in existing buildings. There is a recognition that this will be a much more challenging exercise than the prohibition of DHE systems in new buildings and one which will require a long-term approach to work force planning, development of grid capacity and work with the UK Government to reduce the cost of electricity. The Committee would welcome an update from the Scottish Government on its plans for the Heat in Buildings Bill and what it is putting in place to respond to these challenges.
- 84. The Committee also looks forward to considering the Climate Change Plan in this Parliamentary year. The Committee hopes that this strategy will set-out an ambitious, clear and deliverable pathway for reducing emissions from buildings.



Source:

#### Cost of Living (Tenant Protection) (Scotland) Act

- 85. Last year the Cost of Living (Tenant Protection) (Scotland) Act was considered in the Scottish Parliament as an emergency bill.
- 86. The Act introduced:
  - a temporary cap on rent increases for social, private rented and student

xiv Official Report of the Local Government, Housing and Planning Committee meeting, 12 September 2023

xv Official Report of the Local Government, Housing and Planning Committee meeting, 12 September 2023

housing. The cap is currently set at 0% effectively freezing rents. Private landlords can seek to increase their rents by a limited amount in specified circumstances.

- a temporary pause on the enforcement of eviction orders in certain cases for 6 months. Some evictions can still go ahead, including eviction orders approved on the new and amended eviction grounds.
- powers for Scottish Ministers to temporarily reform the rent adjudication process.
- increased damages for unlawful evictions to a maximum of 36 months' worth of rent.
- 87. As the Bill was an emergency bill there was no opportunity for formal consideration by the Committee.
- 88. The Committee was keen, however, to provide stakeholders with an opportunity to express their views on the Bill's provisions and held an evidence session on 4 October 2022.
- 89. The Committee heard conflicting views on the Bill's provisions, but in the short time available to consider the Bill, did not have time to draw any conclusions on it.
- 90. The measures in the Act initially applied from 6 September 2022 to 31 March 2023 but the provisions could be extended for two further periods of six months with parliamentary approval. Any provision in the Act could be ended early or be suspended.
- 91. The Committee considered Regulations at its meetings on 28 February providing for an initial extension. At its meeting on 12 September the Committee considered Regulations extending the provisions for a further and final 6 months. Specifically, that final extension provided that:
  - Most in-tenancy private rent increases would continue to be capped at 3%;
  - Alternatively, private landlords could apply for increases of up to 6% to help cover certain increases in costs in a specified time period where these costs can be evidenced;
  - Enforcement of evictions would continue to be paused for six months for most tenants, except in a number of specified circumstances; and
  - Increased damages for unlawful evictions of up to 36 months' worth of rent would continue to be applicable.
- 92. A majority of members agreed to recommend approval of the Regulations providing for an extension of the Bill's provisions for a further and final time.
- 93. A recurring theme during the Committee's scrutiny has been the impact of the rent cap on the supply of privately rented accommodation. Witnesses representing landlords have suggested the measures are causing private landlords to leave, or to plan to leave the market. It has also been suggested that the rent increase cap and the lack of clarity around longer-term rent controls has affected institutional

investment.

- 94. In the absence of high quality data it has been difficult to assess the impact of the provisions in the Cost of Living (Tenant Protection) (Scotland) Act. The Committee urges the Scottish Government to improve data collection, so as to enable a better understanding of the long-term impact of these provisions.
- 95.As noted above, the Act's provisions are now subject to their final period of extension. The Programme for Government sets out the Scottish Government's intention to introduce a housing bill to make provision, amongst other things, for a long-term approach to rent controls. The Committee had hoped that such a bill would have been introduced in time to take effect at the expiry of the provisions of this Act. The Committee understands, however, that this will not be the case and that transitional measures will be put in place once the Act's provisions have expired. The Committee urges the Scottish Government to provide tenants and landlords with clarity on these transitional measures as a matter of urgency. Moreover, the Committee urges the Scottish Government to bring forward a housing bill as soon as possible to provide long-term clarity and certainty for tenants and landlords.

#### Status - still pursuing the issue



No response



Still pursuing the issue



Accepted recommendations

#### Short-term lets regulations

- 96. Last reporting year the Committee considered two sets of Short-Term Lets Regulations intended to—
  - · make sure that short-term lets are safe;
  - · help with issues faced by neighbours from short-terms lets; and
  - help councils know and understand what is happening in their areas in respect of the provision of short-term lets.
- 97. A majority of members agreed to support both sets of Regulations. Subsequent to the that, however, on 7 February 2023 the Committee took evidence from local

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authorities and representatives of the short-terms lets industry and Edinburgh festivals on regulations delaying the requirement for short-term lets owners to have a license from March to October 2023.

- 98. In the intervening period the Committee has noted considerable concerns about the expected impact of the licensing scheme on the short-term lets industry and the tourist industry more generally. The Committee notes the legal challenge to City of Edinburgh Council's short term lets scheme. At the same time, the Committee also notes the concerns of communities impacted by the short-term lets industry about the delay in the implementation of the scheme. In this context, the Committee wrote to the Minister for Housing asking him for an update on implementation of the licensing scheme and the implications of the challenge to City of Edinburgh Council's Licensing Scheme.
- 99. In his response, the Minister expressed his intention to continue to pursue the licensing scheme although he would continue to listen to the concerns of stakeholders. He also noted that the Scottish Government would still be bringing forward an update on the implementation of the Licensing Scheme next year although this might not be as extensive as the previously envisaged review.
- 100. The Committee is keen to consider that update. Amongst other things, the Committee is keen to understand the impact the Licensing Scheme has had on:
  - the number of licenses being granted and then renewed;
  - · the tourist industry;
  - · the housing market;
  - bed and breakfasts;
  - Communities impacted by short-term lets.
- 101. The Committee is keen to be kept up to date with the Scottish Government's plans and timings for the update, so it can best engage in that work and ensure that the licensing scheme is delivering on its ambitions.

#### Status - still pursuing the issue



No response



Still pursuing the issue



Accepted recommendations

#### **Building safety**

- 102. Last year the Committee took evidence on building safety in the context of scrutinising the Building (Scotland) Amendment Regulations 2022 (SSI 2022/136). The Committee used the Regulations as the focus of its sessions, but looked at issues around building safety more broadly and the recommendations of the Ministerial Working Group for Mortgage Lending and Cladding.
- 103. The Committee expressed concern about the lack of progress being made in the remediation of buildings and agreed to return to this issue on an annual basis to see what progress is being made by the Scottish Government in responding to the ongoing challenges presented by high-risk buildings.
- 104. In particular, the Committee expressed concern about:
  - · progress with the Single Building Assessment Pilot Programme
  - the response to the zero valuation of flats in blocks with potentially flammable cladding systems, stemming from the EWS1 process
  - · the Scottish safer buildings accord
  - · the role of the building standards compliance manager
- 105. The Committee returned to this issue this year taking evidence from stakeholders at its meeting on 18 April 2023 and the Minister at its meeting on 30 May 2023.
- 106. Amongst other things, stakeholders highlighted ongoing delays in remedial work in Scotland. It was suggested to the Committee that this is, at least in part, due to the legal framework for flatted properties – where there is no single owner or manager for such buildings.
- 107. It was also highlighted to the Committee that there continues to be a lack of qualified professionals to undertake fire safety assessments and the design and installation of remedial work in Scotland.
- 108. The Committee considers that there is a need for urgent progress on this issue in the coming year. The Committee therefore welcomes the greater impetus that appears to be emerging from the Scottish Government and the announcement in the Programme for Government of cladding legislation. The Committee hopes that this legislation can lead to an improved response to this challenge.

#### Status - still pursuing the issue



No response



Still pursuing the issue



Accepted recommendations

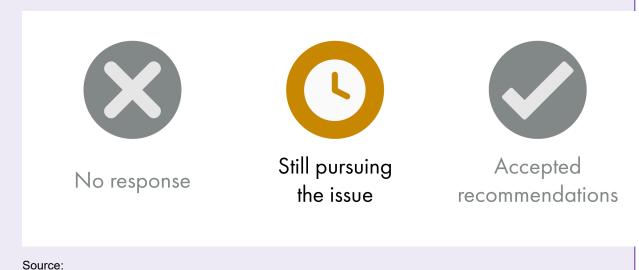
109. In the context of building safety the Committee has also announced its intention to undertake work on the issue of Reinforced Autoclaved Aerated Concrete (RAAC) elements in public buildings across in Scotland and the risk of their sudden, catastrophic failure. The Committee is particularly keen to understand the extent of the problem in local authority owned and managed buildings and whether Councils have the staff and resources necessary to survey buildings with RAAC elements, and to take remedial action where this is found to be necessary. The Committee will reflect on this issue in its next report.

#### Damp and mould in the private rental sector

- 110. The issue of damp and mould in social and private rented housing prompted considerable public concern and media interest following the death of two-year old Awaab Ishak who tragically died in 2020 as a result of a severe respiratory condition due to prolonged exposure to mould in his home.
- 111. Awaab lived in a housing association home in England. The coroner investigating the case said, "this "should be a defining moment for the housing sector in terms of increasing knowledge, increasing awareness and a deepening of understanding surrounding the issue of damp and mould."
- 112. At its meetings on 2 May 2023 and 16 May 2023 the Committee held sessions with stakeholders and the Minister for Housing to understand the extent of the problem in social and private rented housing in Scotland. Following the session the Committee wrote to the Minister and received a response.
- 113. One of the challenges to understanding the extent of the problem, as it has been in other areas of work for the Committee, is the lack of high quality data. The Minister highlighted the Scottish Household Survey, which is due to be published next year and the Committee hopes that this survey might give the Committee a better idea of the extent of the problem.
- 114. The Committee nonetheless recognises that damp and mould is a problem for

many tenants in Scotland and was disappointed to hear from stakeholders that tenants are still often blamed for creating the damp and mould in their homes. It is also very concerning to the Committee to hear of instances where repairs are not being undertaken timeously.

- 115. The Committee notes that one of the drivers of damp and mould is the inability of tenants to be able to afford to heat their homes. The support provided to tenants through the fuel insecurity fund was vital and the Scottish Government's commitment to provide more funding next year is welcomed by the Committee. Nonetheless, the Committee invites the Scottish Government to consider other ways in which tenants can be supported to enable them to heat their homes.
- 116. In the long-term the Committee would welcome more urgency in progressing the building of new homes to avoid people having to live in poor quality homes beset by damp and mould. The Committee would also welcome further consideration as to how the retrofitting agenda can contribute to reducing damp and mould in existing housing.
- 117. The Committee has agreed to return to this issue on an annual basis and hopes that next year's Scottish Household Survey will provide the Committee with more clarity on the extent of the problem in Scotland.



### **Planning issues**

118. As with last year, this year the Committee's consideration of planning issues focussed on NPF4. This section of the report considers that work.

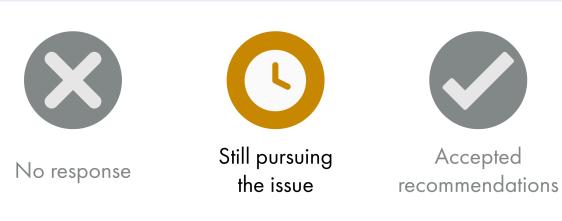
#### **National Planning Framework 4 (NPF4)**

- 119. NPF4 sets out the Scottish Government's strategy for Scotland's long-term development, and guides decisions on every application for planning permission submitted in Scotland.
- 120. NPF4 was a key feature of the Committee's work in the first year of this session and it continued to be this year. During the first year of the session the Committee

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considered and reported on the draft NPF4. A revised NPF4 taking account of the recommendations of this Committee, other parliamentary committees and stakeholders was laid on 8 November 2022.

- 121. In its report, the Committee welcomed the revised draft of NPF4. The Committee concluded that it was a significant improvement on the original draft and one for which the Minister and his officials should be commended. The Committee noted, however, that this is only the beginning of the process. It is not satisfactory to simply assume that planning policy is now set for ten years and can be left as it is. The Committee recognises that there are still elements of NPF4 that could be improved and the Minister's willingness to revisit these after adoption is to be welcomed.
- 122. Of greatest concern to the Committee is that the ambitions of NPF4 will simply not be met due to a lack of planners and more specifically a lack of planners with the skills to meet the challenges of NPF4. This must be addressed with some urgency. There must also be clear cross-Government commitment to NPF4. Moreover it is critical that NPF4 and the planning authorities who are there to deliver it are subject to effective monitoring to ensure that the ambitions of NPF4 are actually delivered.
- 123. The Committee has agreed that it will monitor the effectiveness of NPF4 on an annual basis, holding the Scottish Government to account on whether or not NPF4 is meeting its ambitions. NFP4 took effect last February and accordingly the Committee will return to look at NPF4 in the early part of next year. The Committee appreciates that a year in there may be evidence of the impact of NPF4, but the Committee nonetheless wishes to understand how it is being embedded in the approaches of local authority planning departments.



Source:

# Work in 2023/24

- 124. As the Committee turns to its third year, its focus will again be on its three guiding principles:
  - The Committee wants to prioritise and focus on a number of key issues and pursue them throughout the session.
  - The Committee wants to work closely with stakeholders and communities to identify these issues, scrutinise them and track them throughout the session.
  - The Committee wants to demystify the worlds of local government, housing and planning and enable people to engage with them better contributing to better outcomes.
- 125. At its meeting on 20 June 2023, the Committee agreed a programme of future work. The programme is structured around a set of key themes under each element of the Committee's remit.

#### **Local Government**

- 126. At the heart of the Committee's work on local government is a focus on ensuring that local government can be as effective as possible in delivering for the communities it serves and empowering those communities.
- 127. This work is connected to the Local Governance Review and New Deal with Local Government, with all other parts of the Committee's work, linked to these two initiatives.
- 128. In looking at empowering both local government and in turn communities, the Committee will look at the relationship between central and local government, what local government needs to work well and if attitudes should change to ensure that power is devolved to the right levels to provide real community empowerment. The Committee's work will focus on the following key themes:
  - Are local government and central government working well together as equal partners to deliver on shared priorities and reduce inequalities?
  - Does local government have the necessary:
    - clarity on what issues they should deal with and what central government should deal with.
    - certainty of funding,
    - · flexibility, and
    - autonomy

to work effectively and meet the challenges faced in each local authority area?

• Do we have the right structures in place to allow local government to be

effective, maintain services and support its workforce?

- Are communities being empowered and supported to shape their priorities and deliver them?
- 129. In pursuing these themes, the Committee will continue to undertake work in relation to:
  - · The Local Governance Review
  - The New Deal with local government
  - · Understanding barriers to local elected office
  - Post-legislative scrutiny of the Community Empowerment (Scotland) Act 2015
  - Community Councils
  - · Community Wealth Building
  - · Workforce issues in local government
  - Visitor Levy (Scotland) Bill
- 130. In pursuing this work, the Committee intends to travel to local authorities across Scotland to understand the specific challenges they face and what they need to be in place to deliver for the communities they serve. The Committee began this work with a visit to Orkney in June 2023 and will next be visit the Highlands Council area.

## Housing

- 131. The second element of the Committee's remit relates to housing matters. Central to the Committee's work is a focus on ensuring that Scotland has the right number of homes needed to meet current and future need and that house building is taking place in the right places and to the right standards.
- 132. The Scottish Government sets out its ambitions for housing in <u>Housing to 2040</u> and the Committee's scrutiny will focus on the adequacy of that strategy. The Committee will focus on the following themes:
  - Building enough homes or bringing enough homes back into use to meet current and future housing needs
  - · Building homes with a focus on placemaking
  - Creating and sustaining a mix of housing that is financially and physically accessible to all
  - Building homes that provide for affordable warmth and zero emissions
  - Ensuring that new and existing homes are safe and of a high quality

- 133. In pursuing these themes, in the context of Housing to 2040 the Committee will continue to pursue work in relation to:
  - the delivery of the affordable housing supply programme
  - retrofitting of housing for net zero in the context of the climate change plan
  - short-term lets
  - · damp and mould in the rental sector
  - cladding (including a cladding bill)
  - the Minimum All Tenure Housing Land Requirement and Housing Needs Demand Assessment tool
  - Rent control measures (including a forthcoming housing bill)

# **Planning**

134. The Committee's focus around planning continues to be on the National Planning Framework 4, which came into effect in February 2023. The Committee has agreed to undertake an annual review to see how it is being translated into local development plans and the extent to which it is achieving its transformational aims. In particular the Committee will keep pursuing whether Scotland has enough planners with the right skills to deliver on the ambitions of NPF4.

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# **Conclusions**

- 135. The Committee draws this report to the attention of the Parliament.
- 136. The Committee hopes that when it returns to consider its tracker report next year it will be able to note significant progress made in relation to the issues contained in this report.

