

## **HOUSING (SCOTLAND) BILL - MINISTERIAL SOUNDING BOARD**

**Minute of the final meeting of the Ministerial Sounding Board held on Tuesday 19 October 2010 at Victoria Quay, Edinburgh**

### **Present**

Alex	Neil, MSP	Minister for Housing and Communities
David	Bookbinder	Chartered Institute of Housing Scotland
Jon	Harris	Convention of Scottish Local Authorities
Cllr Harry	McGuigan	Convention of Scottish Local Authorities
Russell	Gunson	NUS Scotland
Danny	Mullen	Regional Network of Registered Tenant Organisations
Fiona	King	Shelter Scotland
Sandy	Murray	Tenants First
Kirsty	Wells	Tenants Information Service
Tony	Kelly	Tenant Participation Advisory Service
Rena	Smith	Tenants Regulation Advisory Group
Ian	Ballantyne	Veterans Scotland
William	Fleming	Scottish Government
Linda	Leslie	Scottish Government
Ian	Spence	Scottish Government – minutes

### **Apologies**

Douglas	Edwardson	Association of Local Authority Chief Housing Officers
Jennifer	Wallace	Consumer Focus Scotland
Martin	Hayward	Equality and Human Rights Commission
Kennedy	Foster	Council of Mortgage Lenders
Jim	Harvey	Glasgow and West of Scotland Forum
John	Blackwood	Scottish Association of Landlords
Hanna	McCulloch	Scottish Disability Equality Forum
Lorna	Paterson	Scottish Federation of Housing Associations
Iain	MacInnes	Scottish Tenants Organisation

**In attendance:** Tessa Brown, Joanne McDowell and Ross Wilson from the Scottish Government.

## **1 Welcome and opening remarks**

Mr Neil welcomed members to the final meeting of the sounding board for the Housing (Scotland) Bill. He particularly welcomed David Bookbinder of CIH, substituting for Alan Ferguson; Fiona King of Shelter, substituting for Rosemary Brotchie; Kirsty Wells of Tenants Information Service, substituting for Ilene Campbell; and Tony Kelly of Tenant Participation Advisory Service, substituting for Lesley Baird.

## **2 Minutes of meeting on 8 September and matters arising**

Members agreed that the circulated minutes of the previous meeting were a true record.

Under matters arising, Sandy Murray asked if the proposed changes to the 20 year rule would require legislation.

Mr Neil explained the background to the proposals and the concerns of the Law Society that changes to the existing law could risk reintroducing the feudal system through the back door. The Government intended to introduce a stage 3 amendment to the Bill whose limited scope would reflect these concerns.

Mr Murray also asked for an update on the expected report by Professor Griggs following his review of the Scottish Government's regulatory requirements on RSLs.

Mr Neil confirmed that the report would be circulated shortly. While Prof. Griggs had concluded in general that the regulatory and bureaucratic burdens on the RSL sector were proportionate, he had made a number of recommendations, including one to streamline the administration of Housing Association Grant applications.

## **3 Stage 2 Amendments**

Mr Fleming reported on the stage 2 consideration of the Bill. He said that the Local Government and Communities Committee had dealt with 181 amendments in 3 sessions. A number of amendments had originated from the sounding board, for example, removing from the Regulator the power to charge for inspection; and the introduction of a new requirement on SHR to issue guidance on how social landlords should involve tenants in preparing the information that the landlords were required to submit to the SHR. This was intended, in particular, to ensure that tenants had the opportunity to comment on and endorse the contents of reports that landlords were likely to have to produce on their own performance under the self-assessment regime that the SHR was expected to operate.

Other stage 2 amendments had included:

- Changes to Section 24 of the Bill, on the registration of RSLs.
- An amendment that widened the definition of new supply housing, to cover the following circumstance: under the Mortgage to Rent scheme, a person who bought a RSL property under RtB but then found themselves in financial difficulty could sell the property back to the RSL and remain in the property as a tenant. The amendment would class the re-purchased property as 'new supply' and thus exempt it from the RtB.
- An amendment, made in response to representations from Chief Constables, to remove police houses from the scope of RtB.
- Pre-Action Requirements for landlords considering eviction action, to strengthen best practice in dealing with rent arrears, leaving eviction as an option of last resort.
- More protection for those in unauthorised tenancies – (i.e. those renting from a private landlord who found themselves facing eviction when the house was repossessed by the lender.)

Kirsty Wells said that TIS welcomed the amendment to involve tenants in landlord self-assessment.

Danny Mullen said that he was delighted overall with the amendments relating to tenants.

Mr Neil noted that Mary Mulligan, MSP, introduced an amendment based on Shelter's suggestion to provide housing support to all homeless applicants for housing. He acknowledged that some members of the sounding board, including COSLA, had not supported Shelter's proposal when they had discussed it at the meeting on 14 June 2010. He said that he would be meeting COSLA to discuss how best to reconcile the opposing views on the matter.

Councillor McGuigan said that COSLA, while it supported the measure in principle, could not welcome the amendment as it stood, as it placed a burden on councils that could affect other services. He mentioned one local authority which estimated that it would cost £1.25 million and take 71 staff to implement the proposals. These were a substantial amount of that authority's resources, with staff being taken away from other areas to provide the service.

#### **4 Stage 3 – proposed amendments**

Mr Neil stated that he was aiming to minimise the Government's Stage 3 amendments to the Bill. He gave a brief outline of proposed amendments:

- An amendment to the housing support provisions introduced by Ms Mulligan at stage 2, which would seek to respect the principle while addressing the concerns that COSLA and others had over the possible impact of its implementation.

- Amendments to clarify how the SHR would discharge its objective in respect of potential tenants, including those on waiting lists; and how it would act proportionately in respect of different types of social landlord, while safeguarding and promoting the interests of tenants and other stakeholders.
- Amendments to provide further exemptions from the 20 year rule in respect of rural housing bodies.
- Amendments to remove from the Bill those provisions in respect of the private rented sector that now formed part of the recently introduced Private Rented Housing Bill.

Russell Gunson said that the NUS was supportive of moves to delete private sector provisions from the Bill, and would be happy to lobby MSPs in support.

Mr Neil thanked him for the offer. He noted that, in moving these provisions to the new Private Rented Housing Bill, the Government had responded to the Committee's wish to see all the private rented sector proposals consolidated in a single Bill. He hoped, therefore, that the amendments would be received favourably.

Danny Mullen expressed concern about the 'proportionality' aspect of the new SHR's work. He questioned whether tenants of small RSLs would receive adequate protection, and stated tenants' view that all landlords should be expected to achieve the outcomes that would be set out in the forthcoming Scottish Social Housing Charter.

Mr Neil agreed that the Charter would set the outcomes that all tenants should receive from their landlords and acknowledged that there was a balancing act for the SHR to perform if it were to ensure that the outcomes were being delivered consistently for all tenants, while avoiding unduly burdensome regulation of the individual landlords that comprised the sector. William Fleming clarified that the Government's planned stage 3 amendment would provide for the SHR to consult on and publish guidance about how it would use its regulatory powers to meet its objective (of promoting and safeguarding the interests of tenants' and other service users); and also how it would meet the requirement to act in a proportionate and targeted way.

The Minister said that he expected that the spending review, due the next day, would be bad news for Scotland and for the Scottish Government's ability to invest in social housing. In view of that, he hoped that RSLs would take advantage of the change to the 20 year rule and use it to develop new streams of investment in the sector.

Mr Neil said that he expected the Bill to be approved by the Scottish Parliament after the stage 3 debate on Wednesday 3 November. Subject to that, he hoped that it would receive Royal Assent before Christmas.

He informed members that the advertisements for the positions of SHR Chair and Board members would be published in November. There had been no decision yet about the overall numbers, nor the proportion of tenants that might be appointed to the Board. While agreeing that tenants should be represented on the Board, he

emphasised that the exercise would be overseen by the Office of the Commissioner for Public Appointments in Scotland.

Mr Neil stressed the point that he could only select tenants for the Board if tenants applied. He urged members to do their bit to encourage applications from suitably qualified and experienced tenants.

Mr Fleming stated that applicants could apply under one of three criteria –

- Experience of being a tenant or other service user
- Experience of housing services, management and finance
- Experience of regulation and performance improvement

## **5 Any other business**

Mr Neil expressed his gratitude for the efforts of the sounding board members. It had been a very worthwhile exercise, which he hoped to repeat by having a similar board for the Private Rented Housing Bill.

Although members may not have secured everything they had sought for the Bill, their views generally had been taken on board and the Bill was in better shape as a result. He thanked the members once again for their time and attention.

There being no other business, Mr Neil thanked the members for attending and closed the meeting.