

## **Minutes of the**

### **Cross Party Group on Housing Thursday 26<sup>th</sup> March 2015 at 1pm**

#### **Present:**

Margaret McDougall MSP	Convenor
Patrick Harvie MSP	Vice Convenor
Alastair Cameron	Scottish Churches Housing Action
Caroline Elgar	Scottish Association of Landlords
David Kendall	National Landlords Association Scotland
David Ogilvie	CIH
Donald Lockhart	SFHA
Fiona King	Shelter Scotland
James Battye	Shelter Scotland
Katy Dickson	Scottish Land & Estates
Leanne Blunsden	TIS
Lynda Johnstone	TIS
Moira Bayne	Housing Options Scotland
Orlaith Brogan	ESPC
Rachel Goodwin	ESPC

#### **In attendance:**

Caroline Cuthbertson	Bank of Scotland
Jennifer Kennedy	Homes for Scotland
Judith Revett	Lloyds Banking Group
Pete White	Positive Prisons

#### **1. Welcome and Apologies**

Margaret McDougall MSP opened the meeting of the Cross Party Group on Housing and intimated the following apologies:

Gordon Nelson	Federation of Master Builders
Grant Carson	Glasgow Centre for Inclusive Living
Hew Edgar	RICS
Jim Mather	Homes for Scotland
Keith Anderson	Port of Leith HA
Lesley Baird	TPAS
Maddy Halliday	Life Changes Trust

Margaret McCulloch MSP

Neil Clapperton

Tristan Compton

Wayne Mackay

Grampian Housing Association

National Landlords Association

Electrical Safety First

## **2. Minutes of the previous meeting**

The minutes of the last meeting were approved with no matters arising.

## **3. Shelter Scotland's "Make Renting Right" Campaign - Presented by Fiona King, Campaigns and Public Affairs Manager, Shelter Scotland**

With social housing in short supply and mortgages difficult to access and afford more individuals and families are turning to the private rented sector to find a home. It's a growing and changing sector which now accounts for 13% of all housing – the number of families in the sector has doubled in the last 10 years, which means that 80,000 children now live in private rented housing. We therefore need to make sure the private rented sector suits the needs of all the individuals and families who now call it home. We need a more secure and stable private rented sector which is fit for purpose and which can adapt to a range of needs that work for both tenants and landlords.

Our campaign is calling for:

1. Stability for people wanting to make rented housing their home.
2. Flexibility for people to stay in their home as long as they need.
3. A modern tenancy that gives security and flexibility for tenants AND landlords.
4. A fair system for sorting out renting problems when they occur.
5. Predictable rents for tenants and landlords.

Website address for more information about the campaign -

[www.shelterscotland.org/makerentingright](http://www.shelterscotland.org/makerentingright)

Margaret McDougall MSP thanked Fiona King for her presentation at the meeting of the Cross Party Group on Housing.

## **4. How Scotland Lives – a new piece of in-depth polling research into the nation's housing needs and aspirations - Presented by Caroline Cuthbertson, Head of Commercial Banking Scotland, Bank of Scotland**

Caroline Cuthbertson delivered a short presentation on the housing aspects of the Bank of Scotland's How Scotland Lives survey, which had been carried out by YouGov in December 2014. The housing report provides an insight into the Scottish market and the impact of an aging population.

The survey found that 29% of people own their property outright, while a third have a mortgage to pay off. Ownership levels across Scotland vary, with Glasgow having the lowest levels at 40% and the Highlands and Islands have the highest levels at 68%.

The structure of the housing market also varies across geography and age group. While more than half of people in rural areas live in houses with five or more rooms, the figure is only quarter in urban areas. 17% of renters hope to get on the property ladder within the next five years and 13% within a decade.

The research enabled Bank of Scotland to identify a new issue – last time buyers. Less than 1 in ten people over the age of 50 have any plans to downsize and most said they were happy in their current home, with 39% saying they felt no financial pressures to move. This low level of housing mobility has significant implications for the wider housing market.

In conclusion, Bank of Scotland believe that more housing for rent needs to be made available. Development of a new professional renting sector (both private and social) would help provide a realistic long term option for those that either do not want to buy or can't afford to buy a house. Identifying obstacles preventing over 50s from moving and developing housing that meets their needs should also be a priority. Moreover, the housing construction sector needs to expand, particularly through the creation of more small and medium sized building firms which will help increase the volume of new homes.

Margaret McDougall MSP thanked Caroline Cuthbertson for her presentation at the meeting of the Cross Party Group on Housing.

## **Discussions**

There are constraints for Housing Associations to secure private funding at reasonable rates and conditions. The Bank of Scotland responded by saying that a single partnership relationship allows for:

- Stronger negotiating position
- Comfort within the risk profile

Housing Associations secure private funding at a reasonable rate under conditions that don't impact current funding. Bank of Scotland offer long term funding as it is more expensive to

have many different lenders as there is a greater risk. Bank of Scotland stated they are the biggest supporter to Housing Associations, strive towards future partnership working.

SME builders are under pressure to change the process and constraints regarding planning. Bank of Scotland are working in partnership with SME builders to make the change.

It was noted that the term 'aspiration' was common to both presentations, however 'aspiration' is more usually known in terms of owner occupation but should be referred to across all tenures (private rented and social rented sectors).

It is essential that there is stability for the consumer and the provider. It was noted that private and social rented sectors need a landlord framework that ensures stability.

Security of tenure is important to all tenures and should not be linked purely to ownership. All housing sectors need to be viable. It is essential that security of tenure and stability within the private rented sector is achieved. Private rented sector reform is will go some way to achieve this and should benefit both the landlord and the tenant.

Discussion took place around the private rented sector:

- Right of the landlord to demand the property back through no fault of tenant
- Need to encourage non commercial investment into the sector
- Opportunity for tenant flexibility
- Addressing antisocial behaviour in the absence of neighbour / tenant evidence
- Supporting PRS tenants and landlords to engage in Scottish Government PRS consultations
- Repair standards and housing conditions
  - o Tenant confidence in complaining for fear of termination of tenancy
  - o Lending opportunities to landlords
- Regulation within the PSR

It was noted that there is ongoing Scottish Government consultation regarding the private rented sector. It is essential that proposals for change should be effective and significant policy changes are not based on uncommon cases.

## **5. Cross Party Group Business**

Potential future meeting topics:

- Mental health and housing – Scottish Association for Mental Health
- Smith Commission
- Housing Minister – Margaret Burgess MSP
- Housing for prisoners when they are released, to be led by Pete White, Positive Prison.

It was agreed that the Cross Party Group on Housing would write to Margaret Burgess MSP to invite her to attend the next meeting in May 2015 to discuss the implications of the Housing (Scotland) Act 2014 and the key factors and challenges for landlords and their tenants in taking the Act forward.

**6. AOCB**

None.

**7. Date of next meeting and close**

Thursday 28<sup>th</sup> May 2015, 1pm-2pm

The meeting was closed at 2pm. Margaret McDougall MSP thanked all for attending.