

This response collates information from Housing, Planning, Building Standards and Taxation policy areas and is presented to reflect the key issues raised by the petitioner. We trust the information below provides sufficient background to assist the Committee in their further consideration of the petition.

Housing to 2040

In July 2019, the Scottish Government published a draft vision for our homes and communities in 2040, and supporting principles to guide policy development. We launched our consultation on outline policy options for housing to 2040 on 2 December 2019 and this consultation runs until 28 February 2020¹. The Scottish Government would welcome views on the bold, imaginative and innovative proposals required to deliver the housing to 2040 vision. We have acknowledged that business as usual is not an option in the face of the global climate emergency and other significant challenges and are open to all ideas.

- **The size of houses being delivered in Scotland has a negative social and economic impact.**

We are not aware of any evidence backing up this statement. The Scottish Government is supporting delivery of homes across all tenures through its More Homes Scotland approach. Our ambition is that everyone in Scotland should live in high quality, energy efficient homes that are affordable and meet their needs. This is backed up by our commitment to deliver 50,000 affordable homes in this Parliament and the work we do to support private sector development in Scotland.

Local authorities are expected to fully consider local housing needs as part of their local housing strategy and through the housing need and demand assessment that supports it. This includes consideration of factors such as the size, type and tenure requirements including for the needs of specific groups such as larger households and or the need for wheelchair accessible housing to ensure the right size and type of housing delivered in the right places.

As an example, analysis of information on dwelling size contained within Energy Performance Certificate data over the past three years (2015-2018) also does not support an assertion that we are building small homes, with the average area of new homes being 69 m² for flats, 107 m² for bungalows and 122 m² for houses.

- **New housing regulations that limit maximum cost of new homes, set minimum plot sizes and space standards and require post-sale safety inspections**

On the cost of new homes:

The price of a property to buy is affected by a number of factors, which will differ from property to property and from new build to existing homes. These may include location (urban/rural), demand, land costs, construction costs, maintenance and infrastructure.

It is not clear if these proposals are intended to affect all property or be restricted to the construction of new homes for sale. Any regulation which does not account for the

¹ The consultation can be found at: www.gov.scot/publications/housing-2040/

actual costs of construction is likely to lead to a withdrawal of developers from the market. This would clearly severely restrict supply, particularly in areas with high land and other costs which affect both price and site viability.

On minimum plot sizes:

The Planning (Scotland) Act 2019 introduced new powers for planning authorities to designate Masterplan Consent Areas, (MCAs) which improve on existing provisions for Simplified Planning Zones. MCAs are areas where the planning authority proactively set out, and give consent, in a MCA 'scheme', for the type of development it would wish to see developed, in an area, subject to any conditions.

The planning authority prepares and consults upon a masterplan consent area scheme, which sets out types of development, which the planning authority considers would be appropriate in that place, along with any necessary conditions or design requirements. Conditions included in a MCA scheme could relate to layout, plot sizes, and open space requirements, where they meet the tests for conditions which are set out in Planning Circular 4/1998: The Use of Conditions in Planning Permissions.

Once a MCA scheme has been made, which sets out a masterplan with any necessary conditions, development that is in line with the scheme can be brought forward without the developer having to put in a planning application. We believe planning authorities should take a more proactive lead in planning, and shaping new development in their places, and MCAs offer a means of putting in place consent for the type of developments they want to see brought forward.

Early work has begun on preparing the fourth National Planning Framework (NPF4), the long-term spatial strategy for Scotland to 2050. NPF4 will for the first time incorporate Scottish Planning Policy (SPP) and will take on enhanced status as part of the statutory development plan. We will be considering policy requirements for green infrastructure and open space as part of the review. We aim to do intensive early engagement during January to March/April 2020 before laying a draft in Parliament for consultation around September 2020. Public consultation will run alongside Parliament's consideration. Following this formal consultation, we aim to lay the final version in Parliament in 2021. NPF4 will have to be approved by Parliament before it is adopted by Scottish Ministers.

The 2019 Act makes it a statutory duty for planning authorities to prepare Open Space Strategies. These are to set out a strategic framework of the planning authority's policies and proposals as to the development, maintenance and use of green infrastructure in their district, including open spaces and green networks. Planning authorities could include in their open space strategy policies for open space provision. Scottish Ministers have power to make regulations about how planning authorities are to discharge their functions under this section – this will be subject to further engagement.

On space standards:

Scottish building regulations do not set requirements for minimum dwelling sizes. They do set provisions intended to make all new homes accessible and better suited to adapt to the changing needs of occupants, this includes minimum sizes for the main living area, apartments, kitchens and accessible sanitary accommodation and circulation areas.

These regulations, reviewed in 2007 and most recently in 2015 deliver new homes that are accessible to the majority of people. Whilst not designed to full wheelchair housing standards, they do enable a person who relies upon a wheelchair to access and use facilities throughout at least one storey of the building. Provisions are set out in guidance to standards [3.11](#), [3.12](#), [4.2](#) and [4.3](#) of the current Domestic Technical Handbook. Provisions under building regulations do not approach the room sizes stated by the petitioner but we would note that no justification of benefit is offered for the minimum room dimensions suggested.

Separately, published guidance on the operation of the grant-subsidised element of the affordable housing supply programme states that new build homes which are delivered directly by grant applicants should meet, as a minimum, the basic requirements of the 'Housing for Varying Needs' standard. This is a detailed technical design guide which came into effect around 20 years ago, part 1 of the guide covers self-contained houses and flats and includes for the provision of property for general needs, older people, ambulant disabled people, wheelchair users and other specific needs. The Scottish Government has committed to reviewing the Housing for Varying Needs design guide and we will ensure stakeholders are involved closely in that review process.

On post-sale inspections:

The Scottish Government has no plans to develop post-sale inspections of the type described by the petitioner.

On the subject of quality of new build homes - people, quite rightly, want their homes to high quality and be assured that any problems will be resolved quickly and easily. We want to see the system strengthened to ensure buyers can purchase new-build homes with confidence - this is essential if we are to meet increasing demand. Accordingly, we are working with the UK Government to explore how the proposed New Homes Ombudsman might operate on a UK basis and welcome the new industry code. We also continue to follow, with interest, the Private Member's Bill² by Graham Simpson MSP seeking better redress for purchasers of new build homes.

[Current review](#) of the Scottish building standards system also includes a workstream to improve compliance with building regulations by reinforcing the roles and responsibilities of developers and setting greater emphasis on quality assurance in the design and construction process. Initial development of proposals for this 'Compliance Plan' approach will be reported in March 2020.

- **For prefabricated homes, replacing planning permission with a system of regulated builders**

We are conducting a wide ranging review of Permitted Development Rights. However, we do not consider that removing the need to apply for planning permission for new, prefabricated homes is appropriate given that much of the deliberation about whether to approve planning permission is about the suitability of the site and the design of the building – not the method of construction of the home.

- **A system of land tax that supports the smaller/individual development; changes to council tax to reflect specific characteristics of properties**

² <https://www.parliament.scot/parliamentarybusiness/Bills/111533.aspx>

On property taxes that take account of property location, plot size and number of children living at the property:

The Scottish Government's budget for 2019/20 endorsed the conclusion of the independent cross-party Commission on Local Tax Reform that "the present Council Tax system must end". The Commission was established by the Scottish Government to investigate options for domestic local taxation and published its report in December 2015 which can be read at <http://localtaxcommission.scot/download-our-finalreport/>.

Whilst the Scottish Government has made this commitment, there is currently no consensus within Parliament on what might replace the Council Tax - when local taxation was debated in Parliament in March last year, a motion to scrap the Council Tax was not carried. In order to make progress we have convened cross-party talks on a replacement for Council Tax with a view to publishing legislation – should cross-party agreement on a replacement be reached - by the end of this Parliament, with that legislation taken forward in the following Parliamentary term."

In the meantime, valuation of properties for Council Tax purposes will self-evidently take account of the location and the size of the plot, whilst the Council Tax Reduction Scheme, which reduces Council Tax liabilities according to income and need, does take account of the number of children in eligible households.

On a system of land tax:

The Scottish Government has already put in place a progressive approach in setting the rates and bands for Land and Buildings Transaction Tax. For non-residential transactions, including in general terms the purchase of undeveloped land for residential development, no tax is due for purchases with a value of up to £150,000. The two subsequent non-residential rates/bands (1% between £150,000-£250,000 and 5% above £250,000) mean that the tax due increases progressively in line with the value of the land in question.

More broadly, the Scottish Land Commission has reviewed the use of land value tax in other countries. Preliminary research suggests that land value tax may contribute to land reform, but further work is required, particularly on how such a tax might be implemented. At this point we have no plans to introduce a land value tax, but Ministers have asked the Commission to continue its research on how land value tax might help achieve land reform objectives.