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# **SERVICE UPDATE**

Name of Cluster:	Housing
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Title of Update:	Housing Bill Update
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# 1. Purpose of Service Update

- 1.1. At the meeting of the Communities, Housing and Public Protection Committee on <u>05 September 2024</u>, the Chief Officer – Housing was instructed to provide a service update on the <u>Housing (Scotland) Bill</u> as it progresses through <u>Stage 2</u> of the parliamentary process. This service update fulfils that instruction.
- 1.2. This service update provides a summary of the key amendments made to the Housing (Scotland) Bill during Stage 2 of the parliamentary process. It is important to note that there were over 700 amendments proposed at Stage 2, which may not necessarily be enacted at the end of the parliamentary process. This means that the potential implications for Aberdeen City Council may change following a review of Stage 3 of the process. Members should note that Stage 3 completed on 30 September 2025, and analysis on the final bill, as passed, will be undertaken as detailed in section 3 below.
- 1.3. The service update will not provide an exhaustive list of potential implications that the Bill will have, instead focusing on the Stage 2 amendments only.

## 2. Background

- 2.1. The Scottish Government introduced the Housing (Scotland) Bill in March 2024, proposing changes to housing law in relation to rent controls, the rights of private tenants, homelessness prevention duties, protecting those experiencing domestic abuse, and a number of other housing matters. The Scottish Government states that the package of reforms, "will help ensure people have a safe, secure, and affordable place to live while contributing to the ambition to end homelessness in Scotland."
- 2.2. Aberdeen City Council has participated in ongoing consultation for the Bill as it has progressed through the parliamentary process. A response

to the initial <u>Call for Views</u>, led by Housing and involving key stakeholders, was submitted on 17 May 2024. The Council then submitted a response to the <u>Financial Memorandum consultation</u> on 04 June 2024. A further consultation was carried out between April and July 2025 in relation to exemption criteria under the Bill, which the Council has also responded to.

2.3. The Bill is a significant piece of legislation that will have implications for many Council services and partners. As such, officers have been tracking the progress of the Bill to inform the Council's planning for the implementation of this legislation.

#### 3. Current Position

- 3.1. The Bill has now progressed through Stage 2 and entered Stage 3 on 23 September 2025. Stage 3 was completed on 30 September 2025 and the Bill was passed, with it now awaiting Royal Assent before it becomes an Act. This service update relates to the amendments that were proposed at Stage 2, recognising that the bill has now been finalised.
- 3.2. This service update will provide a summary of the amendments from Stage 2 categorised into the following areas:
  - Rent Control Areas
  - Homelessness
  - Unlawful Evictions
  - Private Residential Tenancies
  - Housing Emergency
  - Other Housing Matters
- 3.3. This update does not consider any minor wording changes which have been approved. It is also important to note that at Stage 2, amendments are considered in isolation from each other, which means that some amendments may be contradictory.
- 3.4. As per the Communities, Housing and Public Protection meeting on 05 September 2024, the Chief Officer Housing was instructed to follow this Stage 2 Service Update with a full implementation plan for the Bill now that Stage 3 has completed. This implementation plan will be developed and presented to the Communities, Hou2.sing and Public Protection Committee for approval in 2026.

# Stage 2 Proposals

### 4. Rent Control Areas

4.1. Regulations on the rent control cap must provide the legal instruments needed to consider a property's 'quality, state of repair and energy efficiency' when calculating a cap.

- 4.2. The rent cap level will be set at <u>Consumer Price Index</u> (CPI) + 1% up to a maximum of 6% within the <u>Private Housing (Tenancies) (Scotland)</u>
  Act 2016, moving it out of the Housing Bill.
- 4.3. Scottish Ministers will be able to request the same information from private sector landlords/those acting as landlords that local authorities can request, for the purpose of assessing and reporting on rent levels.
- 4.4. Ministers and local authorities will be able to request additional information from landlords/those acting as landlords, namely:
  - Frequency of rent.
  - Date of the last increase, amount and frequency of rent following increase.
  - Whether the property is furnished, partly furnished (with description) or unfurnished.
  - Condition of a home, including required repairs and EPC ratings.
- 4.5. Ministers and local authorities cannot request the same information more than once every 12 months, however, another amendment suggests that local authorities can ask for information at such time and intervals that they consider to be appropriate.
- 4.6. Minsters can make adjustments to the type of information that they can request from landlords through regulations.
- 4.7. If the landlord fails to provide the requested information within 28 days, or provides false information, ministers and local authorities can apply to the <u>First-Tier Tribunal</u>, who can order fines of up to £1,000 if deemed appropriate to do so.
- 4.8. Ministers can request information from local authorities in relation to the landlord register, such as property addresses, names of landlords and landlords' addresses. This information must be provided within 28 days, otherwise this may lead to First-Tier Tribunal proceedings.
- 4.9. Ministers will be expected to provide guidance on how to evaluate and report on rents, with consultation on this guidance to happen before the Bill becomes law. The first rent reports will be due by 31 May 2027.
- 4.10. Where local authorities recommend the designation of a rent control area, they must specify the street or ward that it applies to. Ministers should then either support the recommendation by introducing the control or bring a motion to the Scottish Parliament if they disagree with the recommendation.

- 4.11. Ministers must continually review the designation and size of a rent control area and have the power to remove or reduce the size of these areas but cannot increase their size.
- 4.12. If a landlord is advertising a property in a rent control area, they must include information about rent increases in the last 12 months and that the starting rent may change in accordance with CPI fluctuations.
- 4.13. Ministers can define 'exempt properties' within the Private Housing (Tenancies) (Scotland) Act 2016. The criteria for exemptions have not yet been determined and this is a matter which will be consulted on.

## Potential Implications for Aberdeen City Council

- Ministers will be able to request a wide range of information relating to the rental market in the city from the Local authority.
- Local authorities do not currently hold the data required for rent controls, and there is currently a lack of clarity over how this data will be collected and provided to Ministers.
- There are resource implications for Aberdeen City Council to carry out the assessment, and it is unclear if this will be supported by Scottish Government.
- Regulations and guidance will be issued which will provide clarity on how rent caps will be calculated and implemented.

### 5. Homelessness

- 5.1. The Bill will remove the intentionality test for those threatened with homelessness, amending the duties found in the <a href="Housing (Scotland">Housing (Scotland)</a> Act 1987.
- 5.2. Ministers can add to the type of actions that 'relevant bodies' can take under the 'ask & act' duty. This includes specifying processes to be followed when assessing which action to take, and what factors should be considered during this assessment.
- 5.3. Scottish Ministers will be considered a relevant body under 'ask & act,' however only in relation to their functions concerning Social Security.
- 5.4. The steps that relevant bodies must take when exercising 'ask & act' functions will be amended, allowing relevant bodies to "take such action as they consider appropriate". This would potentially remove the need to cooperate with other relevant bodies, with the aim of strengthening their responsibility and making it less likely that relevant bodies will simply defer to local authority housing services.
- 5.5. There are other conflicting amendments which state that before relevant bodies take action in relation to 'ask & act', they should consult with other relevant bodies and cooperate in taking action.

- 5.6. Homelessness applicants will have the right to request reviews of local authority decisions in relation to 'ask & act'.
- 5.7. A new power will be added to the Housing (Scotland) Act 1987 to allow relevant bodies to share information related to 'ask & act' with other relevant bodies.
- 5.8. Ministers will be given the ability to modify the definition of 'homelessness' and 'threatened with homelessness' through regulations, to allow them to respond to homelessness issues as they arise.
- 5.9. If any provisions found in Part 5 of the Bill (Homelessness Prevention) are not yet in force three years after the Bill is given Royal Assent, the provisions will then come into force at that time. This is to ensure that all provisions in Part 5 are in law no later than three years after the Bill is enacted.

## Potential Implications for Aberdeen City Council

- Initial increase in the number of homeless applications received, and a need to review resource needed to manage this potential increase.
- Following an increase in homeless applications, additional pressure could be placed on available temporary accommodation in the city.
- A need for training across all front line officers to enable a confidence in the 'ask and act' element.
- Changes to data systems for collecting and reporting on these new duties.

#### 6. Unlawful Evictions

- 6.1. Where the First-Tier Tribunal finds that a tenant has been wrongfully evicted by their landlord, the landlord can be charged between 3 and 36 times the 'relevant sum'.
- 6.2. The relevant sum is either the amount of one month's rent or £840, whichever figure is higher.
- 6.3. The impact of the eviction on the tenant will also be considered by the First-Tier Tribunal when determining the amount to be charged.

## **Potential Implications for Aberdeen City Council**

 No direct implications for the Council, but will potentially deter landlords from carrying out unlawful evictions.

### 7. Private Residential Tenancies

- 7.1. Tenants will have the right to make changes to the property, but Ministers must make provision that it will be reasonable for landlords to refuse consent to any structural changes.
- 7.2. Ministers will have a duty to specify all changes that tenants can make to a rental property. Ministers must also introduce a categorisation system for the changes specified.
- 7.3. Ministers will clarify the circumstances where it is reasonable for landlords to apply conditions to tenants keeping a pet, or refuse consent entirely.
- 7.4. If a tenant has given their landlord the 28-day notice to end their tenancy, they must provide a copy to all other tenants and notify the landlord when this has been completed.
- 7.5. Where a tenant wishes to end a joint tenancy, they must provide the landlord and other tenants with a pre-notice, with a minimum pre-notice period of two months and a maximum of three months.
- 7.6. The rules around succession of sole tenancies upon the death of a tenant, contained within the <a href="Private Housing (Tenancies">Private Housing (Tenancies) (Scotland) Act 2016</a>, will be amended to reduce the period that the bereaved's partner/family member/carer needs to have lived in the property as their primary residence before succeeding. This period will be reduced from 12 months to 6 months.
- 7.7. Unclaimed tenancy deposits can be used for activities and projects which support access to the private rented sector, such as providing advice to tenants.

# Potential Implications for Aberdeen City Council

- Advice currently given by the Council to private rented sector stakeholders would need to be updated to reflect these amendments, which would have resource implications for the Council's Private Sector Housing team.
- Potential for unclaimed tenancy deposit funds to be used for schemes that improve access to the private rented sector, however there is a lack of clarity over which schemes would be eligible for this funding.
- The new rules around pets and changes to let properties have the potential to create disputes between landlords and tenants, particularly when there is a lack of clarity as to the list of approved changes and how the categorisation system will work in practice. This has resource implications for the Private Sector Housing team as they respond to tenant/landlord complaints and mediate disputes where required.

# 8. Housing Emergency

- 8.1. Within 6 months of the Bill receiving Royal Assent, Ministers must define the conditions that would constitute a housing emergency, as well as the conditions which would constitute evidence that a housing emergency has ended.
- 8.2. If these conditions are met, Ministers must declare a housing emergency.
- 8.3. Ministers must publish a strategy on how to end a housing emergency.

# Potential Implications for Aberdeen City Council

 Local authorities will be provided with guidance related to declaring and ending housing emergencies.

## 9. Other Housing Matters

- 9.1. <u>Awaab's Law</u> will be introduced in Scotland by amending the <u>Housing</u> (Scotland) Act 2001. This will allow Ministers to set a timeframe for social landlords to investigate disrepair and commence repairs on their properties.
- 9.2. The rules around succession of Scottish Secure Tenancies, contained within the Housing (Scotland) Act 2001, will be amended to reduce the period that the bereaved's partner/family member/carer needs to have lived in the property as their primary residence before succeeding. This period will be reduced from 12 months to 6 months.
- 9.3. An independent right to appeal against decisions made by the <u>Scottish Housing Regulator</u> will be introduced. The existing right of appeal of some decisions to the Court of Succession will be moved to the First-tier Tribunal. Appeals can be made on a range of decisions that were previously considered internally by the regulator.
- 9.4. Local authorities will be given the power to change the variation of Council Tax for unoccupied properties. No further details on this variation have been given at this time.
- 9.5. Funds will be able to be transferred from the general account to the Housing Revenue Account.
- 9.6. Within 6 months of the Bill receiving Royal Assent, Ministers must review the impact of joint and several liability for council tax arrears on those who are subject to domestic abuse, with a report being taken to Parliament and a statement of action included if necessary.

- 9.7. Within two years of the Bill receiving Royal Assent, Ministers must carry out a review of the assessment and classification of properties that can be used as housing, for the purpose of liability for non-domestic rates.
- 9.8. A deadline will be removed which required Scottish Ministers to publish their Fuel Poverty Strategy three years from when the first report was published, due at the end of 2025/26.
- 9.9. The <a href="Property Factors">Property Factors</a> (Scotland) Act 2011 will be amended to extend the criteria when determining whether someone is 'fit and proper' to be a factor. Ministers have to consider sexual offence convictions and offences related to firearms.
- 9.10. Property factors can apply to Ministers to be removed from the property factor register for a fee.
- 9.11. Ministers can request information from property factors to ensure they are being compliant with the amendments to the Act, and they can also inspect properties.

# **Potential Implications for Aberdeen City Council**

- Ministers will set timeframes for local authorities to investigate and resolve disrepair under Awaab's Law. The implementation of this law has been considered within the Council's Housing Emergency Action Plan.
- Changes to succession rights for Scottish Secure Tenancies.
   Front line staff will require training on the changes and current resources will need to be updated to reflect these changes.
- Local authorities will be able to be transfer funds from the general account to the Housing Revenue Account. The full implications of this are currently unknown.
- Local authorities will be given additional powers to vary Council Tax for unoccupied properties. Guidance on any changes to this power will be required in order to understand the full implications of this.
- Local authorities would potentially have the right to appeal decisions made by the Scottish Housing Regulator.

### 10. Next Steps

10.1 Officers will undertake detailed analysis of the Housing Bill, as passed, which involved four separate debates on the proposals, and hundreds of further amendments, and will develop an implementation plan which will be submitted to approval to Communities, Housing and Public Protection Committee in 2026.