

Scottish Parliament Elections 2021: Support the housing sector

- **Impact assessment on COVID and housing need** - the national lock down measures have shone a light on space, local amenities and connectivity. Housing can play a key part in the economic and social recovery after the pandemic and the next government should embark on an impact assessment to improve housing need based on costs, quality, design, and the role of housing in community life.
- **Regulation of sales agents** - the next government must support the regulation of estate agents and ensure that the profession understands the recommendations of the Regulation of Property Agents (RoPA) Working Group chaired by Lord Best.¹ It is vital that all sales agents are licensed, they adhere to a strict code of practice and hold at least a Level 6 qualification (the level equivalent to an A-level/Advanced Higher). Regulation offers huge potential to professionalise the sector to eradicate bad practices and provide a smoother consumer experience.
- **Review Land and Buildings Transaction Tax (LBTT) bands** - whilst policy makers may believe that those buying prime property are less sensitive to tax changes, we know that property sales in the middle and high end of the market have slowed since the introduction of LBTT. The rates should be reviewed to support home buying particularly for those looking to climb the housing ladder and second steppers. This should include amending the bands to extend the five per cent levy to properties worth up to £500,000, halving the amount of tax that buyers of homes in that price range currently pay.²
- **Oppose rent control** - legislation introduced in December 2017 under the Private Housing (Tenancies) (Scotland) Act 2016 already contains a limit on rent increases and further rent controls should not be introduced. The introduction of stricter rent control measures could lead to a reduction in supply and will have a negative impact on housing quality.
- **Action on cladding and fire safety** - the next government should be utilising the £97.149m Building Safety Fund as allocated at the UK Budget in March 2020 to support people living in multi-storey residential buildings.³ It is important that dangerous cladding on existing buildings is replaced and communal fire alarm and sprinkler systems are introduced. Without action, many properties will be unsaleable and not adequate to be rented out.
- **Take a holistic approach to improving the energy efficiency of housing** - housing in Scotland compromises a range of property and building types. The next government must look beyond a one-size fits all approach for energy efficiency and develop proposals that work with the different age, condition, and size of properties across all tenures.
- **More action on empty homes** - empty homes can lower land values and make it harder to sell other properties nearby. Bringing empty homes back into use can ease the pressure on housing stock and help improve local communities. The next government should provide greater incentives for people to bring empty properties back into use and give more support to local authorities to help them provide dedicated resources to tackle the issue.

¹ <https://www.gov.uk/government/publications/regulation-of-property-agents-working-group-report>

² <https://www.gov.scot/policies/taxes/land-and-buildings-transaction-tax/>

³ <https://www.gov.scot/publications/foi-202000096158/>

Provide investment for all housing tenures:

- Build more social housing - the long-term solution to address the lack of affordability in the private rented sector is to ensure that more social housing is built to reduce housing need. Council house building has risen steadily in recent years, but many existing social rented homes have been demolished or lost through the Right to Buy scheme. To improve the situation, the next government must commit to a significant programme of building social housing to ensure that renting is more affordable and secure for renters in all tenures.
- Reduce the 4% surcharge on additional residential property - to boost the supply of rented housing and reduce rent rises the next government should reduce the 4% surcharge on additional homes to encourage further investment in the private rented sector.
- Build housing for older people and provide incentives to downsize - by 2036, it is estimated that 1 in 3 people will be over the age of 65 in most Scottish regions.⁴ In order to cater for this demographic, the next government must:
 - ✓ Require local authorities to have a plan for retirement housing, including identifying appropriate sites and design specifications across a mix of housing tenures for older people to rent and buy.
 - ✓ Promote the benefits of downsizing and incentivise people to do so by offering an LBTT exemption for 'last-time' buyers looking to downsize.
- Financial support for energy efficiency improvements - there is a need to continue the Home Energy Efficiency Programmes for Scotland (HEEPS)⁵ to make low-cost loans and grants available to private landlords as well as owner occupiers and ensure they are advertised widely. By providing owner-occupiers and landlords with financial incentives, as well as supporting them to make improvements, more people will be encouraged to raise the energy performance of their homes.
- Reintroduce the Help to Buy Affordable New Build scheme⁶ - to support the continued supply of house building, the next government should reintroduce the Help to Buy Affordable New Build scheme to help more people to get onto or move up the property ladder.

Propertymark

Propertymark is the leading professional body for estate and letting agents, inventory providers, commercial agents, auctioneers and valuers, comprising nearly 17,500 members across the UK. We are member-led with a Board which is made up of practicing agents and we work closely with our members to set professional standards through regulation, accredited and recognised qualifications, an industry-leading training programme and mandatory Continuing Professional Development.

For further information please contact Daryl McIntosh, Strategic Development Manager for Scotland via darylmcintosh@propertymark.co.uk and telephone 07714 520 875.

⁴ <https://www.ageukmobility.co.uk/mobility-news/article/how-old-is-the-uk>

⁵ <https://www.gov.scot/policies/home-energy-and-fuel-poverty/energy-saving-home-improvements/>

⁶ <https://www.gov.scot/policies/homeowners/help-to-buy/>