

HOUSING IMPROVEMENT TASK FORCE FINAL REPORT RESPONSE BY EAST LoTHIAN COUNCIL (20th JUNE 2003)

**Prepared by the Social Work & Housing Department
Housing Development Services**

Introduction

1. East Lothian Council welcomes the opportunity to respond to the findings and recommendations of the Housing Improvement Task Force Final Report. The findings have been awaited with great expectation for some time and on reading them they do not disappoint in many regards. On the face of it the report seems to attempt to identify and address a wide range of issues facing the private housing sector in Scotland. We view this as the start of a process to work towards a more rounded and balanced housing system in Scotland and East Lothian in particular.
2. The main difficulty we envisage will be in taking on the large number of recommendations and changing the way that private housing and everyone involved with it has operated for a very long period of time.
3. We have split the remainder of our response into the two categories of:
 - General comments
 - Specific comments

General

4. Given the overall extent and wide-ranging nature of the report it is important that a sense of prioritisation and the key actions and initiatives are outlined clearly. The Scottish Executive in conjunction with all stakeholders should develop a national strategy for taking the key areas forward. However, local authorities should also be allowed to prioritise at a local level as to the key policies and actions that need to be taken in the context of the development and implementation of their Local Housing Strategies (LHS). The LHS is the primary process for identifying problems within the local housing system and developing intervention strategies to deal with them.
5. It is important that the new Scottish Housing Quality Standard is applied across all tenures and measured accurately and consistently. There is an issue as to how the assessment of problems in the private sector feeds into the overall resource allocation for local authorities to intervene in the private sector.
6. Specific funds should be allocated through the Local Housing Strategy process to deal with the development and implementation of private sector housing strategies (private sector stock condition assessment, developing private rented sector initiatives, implementing the modernised repairing standard for private landlords).

7. The implication of the introduction of the purchaser's information pack will have to be considered by local authorities with regard to RTB properties. In East Lothian around 50% of the Council stock has already been sold through the RTB and it may be the case 'that the horse (or house) has already bolted' with regard to implementing this.
8. Generally we would support the various initiatives that will improve factoring, encourage participation of owner-occupiers/private landlords in common repairs/improvement programmes. This needs to be linked to wider strategies to reduce social exclusion such as those based on maximising incomes. There has to be a recognition that previous government policy (i.e. RTB, low interest rates) has created a large swathe of lower income owner-occupiers who may in the future need assistance to maintain and improve properties.

Specific

9. (pp64; para 275) - The funding of the extension of Community Mediation to cover groups of owners would be welcome.
10. (pp79; para 338) – The proposal for local authorities to publish targets for the reduction in the number of BTS houses. This requires accurate baseline measures to be set and our understanding is that previous Scottish Executive research demonstrated current difficulties throughout Scottish local authorities in attempting to accurately estimate numbers. It would be interesting to know how the Scottish Executive would intend to address these in this context?
11. (pp80; para 340) – The proposals to amend LHS guidance should be considered as an ongoing process of updating given the current Scottish Executive deadlines of September 2003 and April 2004 for submission of LHS by local authorities.
12. (pp119-120; recommendations 132-145) - The development of local voluntary accreditation schemes for private landlords is welcome as is Communities Scotland role in developing guidance and core standards. However this requires adequate resourcing to allow local authorities to develop and implement this type of scheme. There is also the question of providing sufficient incentives for private landlords to be involved in such schemes.
13. (pp12)**Tolerable Standard:** Agree to extend T/S to include electrics, and to introduce Energy Efficiency.
- 14.
15. (pp19)**Scottish Housing Quality Standard:** Agree that this is a good baseline standard for measuring improvement over the years. While sound insulation measurement is potentially complicated and costly to measure we agree that it should be considered further as part of the Scottish Housing Quality Standard.
16. (p23)**Repair Standard for Landlords:** Another good idea but it would be better to tie this in to compulsory registration of private rent properties as outlined in "Regulation & Accreditation" on page 111. The appeals process

open to a tenant via Tribunal seems difficult and time consuming. It would be better to eliminate these properties at the start, thereby saving time before issuing Closing or Demolition Orders.

17. (p30)**Surveys:** This area does need to be improved with prospective owners being given clear information and the implications on all defects and also on shared elements. Roof and chimney surveys should be included.
18. (p42)**Purchasers Information Pack:** This could potentially stop some properties ever coming onto the market or owners trying to sell because of information required and legal recourse for bad information by vendor. It would be good to pilot-on a voluntary basis- although it could be difficult to assess the benefits.
One area of limited benefit would be in Council House Sales where the L/A would explain in simple terms what the owner is responsible for, what is shared and with whom although there are resource implications flowing from this. Unfortunately as so many Council houses have been sold this may be too late, but certainly the “second hand” market could benefit in increasing awareness and responsibility with regard to home ownership and property maintenance and repair.
19. (p55)**Building Industry and Tax Benefits:** read together this makes a lot of sense as avoidance of VAT is often a major factor in owners using unscrupulous builders. The reduction in costs may encourage owners to do work and it would also save L/As the cost of VAT in grant payments.
20. (p60)**Common Repairs:** Getting owners to co operate and work together is the main problem. Often owners in flatted buildings do not even know each other, so setting up a “sinking fund” could prove very difficult for those wanting to do so. Most owners are more than happy to let someone else take on running a repair and so it falls on Councils, and most owners are happy with that. Councils can guarantee payment to contractors, which is crucial to the running of the contract, and owners can repay the Council at a time that suits them, but usually on completion of work and all costs are known and extension of house loans can be obtained.
21. (p68)**Management Arrangements:** Co operation is again the crucial item in this and if it is to fall on the L/A to enforce this it would probably be better for the L/A to provide this and recover costs unless the owners can demonstrate they have a viable alternative. L/A could be contact and do small repairs to eg lights, door entries, guttering and roofs, again recovering costs as appropriate.
22. (p71)**Understanding Responsibilities:** the purchasers information pack could help to solve this, and in time every owner of a property would have an advice document. If factoring became the norm the agent could supply this advice.
23. **Local Authority Intervention & Support:** The new grants system due to come into force after Scottish Parliament approval on 1 October 2003 will go a long way to meeting the Task Force ideals, particularly if monies are “ring

fenced”. There is a question over subsidised loans by L/As particularly when the money market is flooded with loan possibilities. This Council does offer a loan on Common Repairs for owners own share (after grant award) to cover shortfall and admin charges, but we do charge well over Bank Rate. The benefit is the flexibility. Loans are secured with a Charging Order.

24. (p90)**Modernising Local Authority Powers:** this is difficult to comment on as the L/A seems to be forward thinking and responsive to the needs of owners by having systems in place to meet, advise, enforce and finance common repairs.
25. BTS properties have always been a priority but due to restrictions on availability of funding these have tended to be for Empty Homes being brought back into the private rented sector.
26. (p92)**Enforcing Improvements beyond Tolerable Standard:** This is always contentious but perhaps can be achieved with the carrots of grant funding and the explanation of the increased value on the property. Potential provisions within Draft Tenements (Scotland) Bill may assist in this.