

RENFREWSHIRE COUNCIL

Response to the final report and recommendations of the Housing Improvement Taskforce - "Stewardship and Responsibility: A Policy Framework for Private Housing in Scotland".

June 2003

Chapter 1 - Introduction

6. The highest level of disrepair in Renfrewshire remains within the pre 1919 tenement stock. Disrepair in this sector (and lack of co-operation between owners to address problems) has led to reductions in owner occupation and in increase within the private rented sector - as owners find problems in selling due to condition the only option is for them to purchase elsewhere and reluctantly become landlords within the private rented sector.

13/16. We agree that owners should bear more responsibility. However it must be acknowledged that many properties have deteriorated to the extent that it is beyond either individual or collective means to do so.

17. We agree but with reservations as noted above relative to common works.

19. See comments in point 6 above regarding pre 1919 'BTS' tenement flats increasingly reverting to the private rented sector. As mixed tenure (i.e. landlord/owner occupier) within multiple ownership blocks increases so do difficulties in securing co-operation to carry out even minor repairs.

21. Support must be linked to issues surrounding common ownership.

Chapter 2 - Quality Standards For Private Housing in The 21st. Century

General - a number of the proposals made within this section are based on the development of future detailed guidance. We have concerns that the proposals may not have been fully explored, and unforeseen issues which make the proposals unachievable may subsequently arise as this guidance is developed.

58. We are pleased to see the revisions proposed and we look forward to receiving more guidance.

59. We are pleased to see the linkage between public supply procedures and owners' responsibilities.

63. It may be possible to adopt the NHER system as this is consistent with the LHCS reporting process.

68. We support this proposal, but again are concerned that it is subject to future guidance.

73. Guidance is critical relative to a consistent approach to measuring BTS nationally. Should there be a prescriptive form of BTS assessment (perhaps based on LHCS) to allow meaningful national results and comparisons or will the SHCS adequately cover this?

96. We welcome this proposal.

Rec 2. As noted in point 73 above, we agree that detailed guidance should be provided as the tolerable standard is open to differing interpretation from individual authorities.

Rec. 4. We have concerns as to the inclusion of thermal insulation as a failure given the potential difficulties in assessing levels. We feel that this would be better placed within the general Quality standard.

Rec. 12. We agree that sound insulation should be included within the housing quality standard.

106. Wind and Watertight. There are implications for property in common ownership. Standards will be easier to apply internally, or to properties in sole ownership, rather than externally to properties in multiple ownership.

Chapter 3 - Improving The Operation Of the Housing Market

The Single Survey System (SSS)

General: We take the view that the operation of the SSS should be prescriptive to ensure consistency over the housing market. However the increased obligations being place upon owners relative to providing detailed reports on their properties could in our view lead to a reduction in properties placed on the market, particularly in residential areas of low value which are characterised by properties with high maintenance requirements. This could act against one of the principle Taskforce aims of improving property condition.

Guidance is also required relative to the applicability of SSS to houses to be sold under right to buy. In our view Council's should not be required to provide a survey in these instances, as there is a defined buyer who is already resident in the property, and it should be the buyers responsibility to satisfy themselves on the condition of the subsidised acquisition.

Rec. 25. For the SSS to be meaningful in practice, consideration should be given to issuing clear guidance to buyers on the period during which the survey could be relied upon.

Rec. 26. A system of licensing of surveyors able to offer the SSS should be considered, with the system potentially being administered through the RICS.

Rec. 29. A system of deposits should be considered to ensure coverage of costs to sellers. This would cover, for example, aborted sales.

Purchaser's Information Pack

Rec. 34. We agree that any aid to assist and educate home owners on the responsibilities that come with home ownership is to be encouraged. We would wish to consider the administrative impact relative to the production of the customers information pack for each RTB property, and the impact on performance targets for the sale of Council houses.

Rec. 37. Statutory enforcement of the proposals may reduce the number of houses offered for sale, with a consequential impact on the market. This in turn could lead to changes in the levels of house prices depending on the effect on supply and demand in specific areas of the market.

248. Changes to VAT rules in general by reduction would be welcomed relative to encouraging owners to carry out repair work.

Chapter 4 - Facilitating Common Repairs and Maintenance

265. We agree with the comments relative to the use of statutory notices. Disrepair notices are rarely used due to mandatory grant implications. There is also concern regarding their use in blocks where a Council may retain a proportion of ownership (e.g. former RTB), and where a Council may in effect be utilising notices which only they can serve to the benefit of their own stock.

267. We endorse the 'majority prevails' proposal. However we have concerns regarding the burden of debt which may be carried by the Council and the mechanics of cost recovery.

273. Could it be made a condition of grant award that owners form an association?

275. We support this proposal. There may be benefits in extending mediation to include disputes between owners and Council.

289 bullet 2. Further guidance is required on how this proposal would be promoted and implemented.

289 bullet 3. How would grant aid to establish a sinking fund be administered. It is not the sort of service that would normally be eligible under the current system. Will PSHG give Councils more options relative to the distribution of resources?

290. Increasing the cost of work to be met through charging orders is of concern to the Council given that it leads to the support of significant levels of debt for extended periods.

291. We do not agree with the statement that Councils fund work without being concerned at the standard achieved. In addition our concern regarding charging orders and levels of debt support apply here.

295. The 'Title Conditions Bill' position is noted re 30 year ruling. Renfrewshire Council are currently considering options regarding factoring.

298/299. We intend to investigate the Edinburgh Staircase project as part of our private sector strategy review and Local Housing Strategy. We welcome the proposal that additional resources may be available to pump prime such initiatives,.

300. How would these powers be implemented, given deterioration is often a consequence of lack of interest in maintenance, absentee owners etc.?

304. We support this proposal.

305/306. Lack of knowledge of responsibility of ownership is particularly true within the RTB sector.

Rec. 54. We support this proposal.

Rec. 55 bullet 1. We agree in principle with this proposal and have included comments within our response to the Tenement (Scotland) Bill.

Rec. 55 bullet 2. We support this proposal.

Rec. 56. We support this proposal in principle. Given the practical difficulties in enforcement we would agree with the view expressed in the Tenement (Scotland) Bill consultation that insurance should be mandatory.

Rec 57. We support these proposals. However we have concerns relative to how such a system could be implemented and monitored, and how penalties for non compliance could be applied. (See also our comments within Chapter 5 below).

Recs. 58 - 61. We support these proposals.

Rec. 62. We accept the principle but do not believe that it can be realistically delivered. Reserve or sinking funds are likely to be impractical for the reasons set out in paragraphs 286 - 288.

Rec. 63. Legislation currently exists to allow Councils to utilise charging orders for works carried out under for example Section 108 notices. Concern has already been expressed at the level of debt that may be carried relative to works carried out in default. The extensive use of 'owners notices' placing an obligation on the Council to take action may lead to increasing concern over the level of debt carried and the extended recovery periods.

Rec. 64. We support this proposal.

Rec. 65. Owners should also be obliged to formally acknowledge receipt of information relative to their property obligations.

Chapter 5 - Public intervention and Support at the Local Level

319. There are still significant pockets of BTS dwellings within pre 1919 tenement sector.

333. We agree with this statement.

334. Within Renfrewshire there are still considerable areas of BTS housing to be addressed, particularly within town centre areas and above commercial units. This is in part a reflection of the grant position covered in point 333 above.

337/338. We agree that time scales need to be set and these must be linked to resource availability through the PSHG process. As noted previously we do not believe that disrepair in the tenement sector can be realistically addressed without a reasonable level of grant support.

341. How quickly can this be achieved? We have had to proceed with a LHCS with anticipated SHCS bolt-ons to source the information required for LHS purposes. Indications are that a revised and updated LHCS could take some time to emerge.

348. We support this proposal.

350. The advice should be provided in a standard form nationally.

353. Further investigation will be required to gauge demand and staff resourcing.

356. We agree that loans should be investigated as a realistic alternative to grant assistance.

361. This could lead to Councils or RSLs acquiring random and scattered 'non scheme' properties outwith their core areas of operation. This in turn could result in management and maintenance problems.

365. We support this view.

368. From what source would loan finance be made available? PSHG?

376. We agree with the requirement for owners to subscribe to a management scheme.

Rec. 89. Given that under the revised grants legislation there is the potential for repair/improvement grant of £20,000, and we will no longer be required in certain circumstances to take previous grants into consideration, should a condition be included to repay grant if the property is sold within, say, 5 years and where it has resulted in an increase to the value of the property.

387. We support this proposal. The current link between statutory notices and grant means that no positive action takes place and properties continue to deteriorate. However care must be taken not to blight properties as more wide ranging notices with no significant financial risks to the Council must clearly be used only relative to a defined strategy.

388. We are pleased to note that the high level of remaining BTS within certain areas is acknowledged.

391. Carrying out works in default opens the Council to the potential for carrying debt for prolonged periods. This is a significant issue for Renfrewshire where existing debt levels are relatively high due to previous intervention and support within HAAI's etc.

395. It may take several years for work to be carried out and in the intervening period further deterioration could negate the value of the notice. A suspensive notice may however be appropriate for single failure items such as, for example, lack of standard amenities.

403. The proposal is supported in theory but in practice may result in Councils having to constantly step in to support notices. Once again the level of debt carried and cost recovery then becomes an issue. There is major concerns regarding the implementation in pre 1919 tenement blocks where in recent years many factoring arrangements have broken down.

406. We support this proposal.

408. As noted previously HAAI's are currently not being declared, principally because of lack of grant support and not as a reflection of improved condition.

Housing Renewal Areas: We welcome the broadening of legislative powers, and linkages to the LHS process, to allow Councils to tackle elements other than serious disrepair and BTS through a legislative route. However we do have concerns regarding a 'one notice fits all' scenario. We believe that with one notice a BTS area will be viewed in the same way as a disrepair area with the resultant stigma that may become attached to areas that may be relatively attractive despite lower level repair requirements. Either way a Renewal Area is likely to reflect the same broad problems of mixed tenure and the difficulties in securing co-operation from the various ownership categories. We believe that to make this model work significant levels of (discretionary) grant assistance will still be required.

415. The Housing Renewal Area as defined could apply to significantly sized areas of mixed tenure estates inc. local authority areas where there has been reasonably substantial RTB activity. The implications of serving a notice will therefore impact on the owners and the Council in terms of their ability to meet costs.

As noted in the general comment above we believe that a two tier distinction between HAAI and Housing Renewal Areas is desirable.

430. As noted previously we are concerned relative to the level of debt carried.

Chapter 6 - Improving Standards In the Private Rented Sector

443. As noted previously we are particularly concerned with the growth of the private rented sector within the BTS pre 1919 tenement sector.

447. There are also 'landlords of circumstance'. Previous owner occupiers in the BTS sector who could not sell to move on and have had to rent to move on.

471. How does the local authority intervention powers under this proposal interrelate to their other statutory powers under the existing acts and proposed within this document?

474. We support this proposal.

490. The principle of voluntary accreditation is acceptable. However we would need to make some assessment of the potential take up from landlords to determine how the scheme could be managed and staffed. We have concerns as to how the system would work in practice - would it have any real impact on the 'poorer' landlords we would be trying to encourage to bring their properties up to standard. They would most likely continue to let as normal if no real penalties apply within a voluntary accreditation system.

493. (The HMO Licensing Scheme). We agree that a stand alone legislative framework, separate from the framework of the Civic Government (Scotland) Act, would be advantageous. The Council had previously suggested this during consultation on the introduction of the HMO licensing scheme.

504. Compulsory registration is in theory more realistic but the comments in 490 above also apply here particularly relative to enforcement. Local authority resourcing issues are also more of an issue.

509. Implementation and maintenance of a compulsory accreditation system is problematic as would be enforcement.

514. In principle all the options provided are a step forward but we have serious reservations as to how they could be delivered on the ground given the nature of the private rented sector. Taking all this into account a discretionary approach may be the way forward. However national guidance and resourcing would need to be considered as would some recognition of the difficulties in performance assessment, reporting, and bench marking given the discretionary and potentially voluntary nature of a scheme.

520. We are engaging with private landlords and letting agents as part of our LHS development programme.

Annex C (Recommendations in respect of local authority powers)

Rec. 92. Detailed guidance would be required as to what constitutes a defect arising from a lack of maintenance. This may be beneficial, especially in capital projects where the disrepair is not yet extensive enough to warrant a Section 108 notice.

Rec. 93. We agree in principle. Regular checks would be required to ensure that the plan is being complied with and appropriate action taken. Once again we are concerned relative to the resourcing requirements for operating such a scheme.

Rec. 94 We support this proposal. The entitlement to grant and the VAT ruling currently benefit those who do not maintain their property.

Rec. 95 We support this proposal. The market value of the property should reflect its general condition and the owner should not expect the Council to finance the upgrading of their property.

Rec. 96. We support this proposal.

Rec. 97. We support this proposal.

Rec. 98 . As noted in paragraph 408 above the reduction in HAA declarations is due not only to the decrease in BTS properties but also be the reduction in funding available to support mandatory grant, which precludes the use of notices on known BTS properties.