

Angus Council

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Tony Cain, Secretary,
Housing Improvement Task Force,
Housing Division 2,
Victoria Quay,
Edinburgh
EH6 6QQ

Date: 12 June 2002

Dear Sir,

RE: FIRST REPORT OF THE HOUSING IMPROVEMENT TASK FORCE 2002

Please find below Angus Council's response to the First Report of the Housing Improvement Task Force. The Report is both comprehensive and detailed and successfully achieves the objective of setting the scene for the second report and informing the coming debate about what needs to be done to improve the condition of the private sector. More specific comments are noted below, using your clause numbering.

Section 2

24. The application of the full rate of VAT as a disincentive to the maintenance of the housing stock was not explored and is an area where a small reduction in the VAT rate could have a significant impact.

Although it may be a side issue in terms of the Housing Improvement Task Force's remit, there is also the ongoing problem of "buildings at risk" and in the context of housing, the thorny question of how to maintain listed buildings to Historic Scotland standards when grant mechanisms and budgets are inadequate to ensure that owners can afford the work.

Section 3

34. Surely the comparatively better condition of Right to Buy property is due to age and the quality of local authority and Scottish Homes maintenance and improvement programmes prior to sale. With time we then witness a narrowing of the gap between the condition of ex-social rented housing and the whole private sector as investment from the new owners declines.

44. Although the particular problems of rural areas were listed, it is worth stressing the implications for the private sector housing stock of holiday home ownership, retirement villages, a crippled rural economy (in some areas/sectors), shrinking or non-existent social housing stock as an

alternative for vulnerable groups, difficulties in finding trades or trade monopolies in remote or island areas and the additional cost of materials and fuel.

46. Without the advantages of trading up throughout a life in owner occupation (creating free capital or the ability to advantageously trade down with a change in circumstances), it is possible that a great many households who have exercised the Right to Buy, will on retirement or through disability find themselves without the means to cope with significant repairs responsibilities?

Section 4

60. The shortfall/(surplus) is 0.8-(0.2) billion per annum.

64. In addition to ignorance about disrepair, there is a widespread attitude that dissociates home ownership from the responsibility for repair investment, which presumably arises from ignorance but also from the impermanence of home ownership for most people with households moving on average every 5 years. This cultural or educational issue lies at the heart of the problem.

Echoing one of the report's findings, anecdotal evidence suggests that some owners put off repairs in the hope that grant aid and "the council" will step in to organise and pay for the work. This dependency may for some be a hang over from a council tenancy.

74. People with remaining disabilities or mental health problems that could impair their ability to maintain their homes should be able to get housing support services including help with organising repairs funded through Supporting People. Care & Repair in a number of council areas has developed "small repairs" services that address the problem of dealing with minor work that contractors are reluctant to help with.

77. It should be stressed that a section of the Private Rented Sector has a very short term financial view and will only invest in repair and safety if coerced. For this reason the new HMO licensing scheme must be made to work.

79. There are some doubts as to whether improvements can be offset against tax?

80. It is worth noting that the rural economy has shown depressed profitability across a number of sectors for the last decade and this will have had a significant impact on the ability of tied property landlords to invest.

Section 5

94. As proposed changes to the law of the tenement and title conditions will have a significant impact on the options available to address repair problems in shared properties, there is a need to progress these legislative proposals as quickly as possible.

The existence of shops below flats is also a major complication and barrier to organising common repairs. This is especially difficult to resolve in areas where businesses do not thrive, where a major repair bill would cause severe financial hardship. In deeds the share of repair costs is often based on the rateable value which for a shop will far exceed that of the residential properties above, which benefit most from common repairs. This is an issue that is very difficult to resolve, even in areas like Edinburgh where grants are generous.

Section 6

114. There are continuing doubts about the "quality index" in terms of objectivity and the availability of resources to keep it up to date and make it work.

128. There is a need for better systems to ensure that owners maintain their properties but there may be significant practical difficulties in making an Edinburgh repair notice approach work in a dispersed area like Angus.

As a general point, current local authority powers, whatever their flaws, are ineffective primarily because of the lack of resources. The targeting of grants through policy and a partner agency like Care & Repair is a necessity in times of limited resources but targeting alone cannot make a significant impact on disrepair of the magnitude described in the report without a greater allocation of non-HRA housing capital from the Scottish Executive, within a ring fenced budget.

Section 7

139. It might also be suggested that a house, like a car needs a "service history". New housing developments now have a mandatory Health & Safety File which details building components and how to use, service and maintain them. Social housing providers are expected to have planned maintenance programmes and Registered Social Landlords should have sinking funds for major repairs. The retrospective application of a "health and safety" file and social sector good practice would be impractical in the private sector given the age of most of the stock and the limited resources of individual owners but the idea is sound and should be explored

147. The lack of information for buyers about the adaptability of dwellings is a most pressing problem and should be noted in your key conclusions.

170. It is a significant failure of the current Building Regulations that all new dwellings with a ground floor are not built to "Housing for Varying Needs" or "Barrier Free" standards making them easily adaptable for use by owners with a disability at least. Without an increasingly pool of adaptable housing in the private sector, it is impossible to meet the Scottish Executive's objectives for "including" those with a physical disability. However, in order to paper over the cracks, it is agreed that agencies like Ownership Options, a service that is very much underutilised, should be expanded, perhaps by local arrangements with local authorities and Care & Repair or Charitable Housing Trusts.

Summary

The report is both informative and definitive in terms of the problem(s), the causes and the legal framework in the private sector. It is hoped that the second report will provide as definitive a set of recommendations to reverse the historic underinvestment in the sector.

Yours faithfully,

Ron Ashton,
Director of Housing

c.c. Chief Executive
Director of Environmental & Consumer Protection
Director of Finance
Director of Law & Administration
Director of Planning & Transport