SUBMISSION FROM THE LINK GROUP

Introduction
1. The Link group of companies provides new and improved homes for rent and sale, community regeneration services and support and care for individuals. We reach about 10,000 people in 26 of Scotland’s 32 local authority areas, mainly in the Scottish central belt. Link Group is the parent company and is a registered social landlord (RSL) providing over 6,700 rented and shared ownership properties. We also administer the Scottish Government’s LIFT Open Market Shared Equity Pilot.

Part 1 – The Scottish Housing Regulator (SHR)
2. Link supports the proposals for an Independent Regulator, the proposed new statutory objective for the SHR, the requirement for it to encourage equal opportunities and proposals to allow the SHR to share information with other regulators.

3. We are concerned with the inclusion of Section 16 which allows the SHR to charge a fee in respect of performing any function in relation to a social landlord. RSLs are non-profit distributing bodies and any charge would become a further burden on tenants’ rents.

Part 2 – Register of Social Landlords
4. With reference to Section 24 Link would suggest that the definition of “legislative registration criteria” is changed from “that a body does not trade for profit” to “that a body is non-profit distributing”. Social landlords and social enterprises should be running efficient businesses and be able to make profits. The key issue is that the profits are retained in the business or the communities they serve and are not distributed as dividends to shareholders.

5. Link is keen to participate in consultation on the regulatory registration criteria that eligible bodies will have to meet before they can be registered.

Part 3 – Performance of Social Landlords
6. Link supports the examples of outcomes for the Scottish Social Housing Charter and will participate in the consultation on the draft Scottish Social Housing Charter and the guidance the SHR will issue on measuring progress in achieving outcomes. Link would have some concerns about the SHR’s involvement in the provision of factoring services in 100% private developments and would request that this is a matter for further consideration if the intention is to include these services in the Charter. In addition we are keen that the national and local outcomes identified in the Charter are manageable for organisations working in local communities across several local authority areas.

7. Link sees value in the existing Annual Performance and Statistical Return but would be concerned if it was retained with a requirement for increased reporting. The suggested principles for the outcomes of the Charter include not requiring landlords “to undertake disproportionate reporting” so we would hope the guidance issued by the SHR would reflect this.
8. With regard to social landlords encouraging equal opportunities Link already adopts this approach in its housing services and welcomes its inclusion in the Bill.

9. Link supports the replacement of Schedule 7 with a code of conduct (Section 36). We would suggest, however, that if the issue of allowing payment to committee members is to be discussed then this needs a debate separate from the code of conduct.

Part 4 – Inquiries and Information
10. Link agrees with the powers of inquiry outlined in the Bill and welcomes that tenants of local authorities will have the same reassurance as tenants of other social landlords with regard to the regulatory scope of the SHR.

Part 5 – Regulatory Intervention RSL Accounts and Audit
11. Link agrees with the regulatory intervention powers and is pleased that local authorities are now subject to the same regulatory approach as other social landlords.

Part 6 – RSL Accounts and Audit
12. Link agrees that the SHR may determine accounting requirements after consultation.

Part 7 - RSL Insolvency
13. Link supports the powers given to the SHR to enable it to deal promptly with insolvency in a RSL.

Part 8 - RSL Organisational Change and Part 9 - Disposal of Land or Assets by an RSL
14. Link supports the transferring of Ministers’ powers to consent to organisational change and the disposal of land or assets of RSLs to the SHR.

Part 11 – Right to Buy (RTB)
15. Link supports the ending of RTB for new supply social housing and for new tenants entering the social rented sector from 25th June 2008 as proposed in the Bill. Given the continued high demand for social rented housing and the 2012 target to abolish priority need and to provide permanent homes for people experiencing homelessness, the ending of RTB is a positive step. Indeed, we would suggest that reform in this area has not gone far enough and that the potential for financial support for future social housing development could be enhanced by restrictions on discounts available to those who currently have RTB.

16. It should be emphasised that Link is not against home ownership per se and we ask that the Scottish Government continues to support home ownership. Link recognises the benefits that home ownership can bring both to communities in terms of diversifying tenures and to individuals. For over 40 years we have supported owner occupation through a range of low cost home ownership activities. Recently, in addition to administering the Scottish
Government’s LIFT Open Market Shared Equity Pilot, we have developed Access Ownership with the Scottish charity Ownership Options. This scheme is designed to offer choice to people with disabilities and is based on shared ownership principles.

17. Link agrees with the delegation of the power to designate Pressured Area Status to local authorities. In addition we support the Scottish Federation of Housing Associations (SFHA) in their proposal that Pressured Area Status should be the “default” position and that local authorities should have to apply to allow RTB.

Part 12 – Landlord Registration
18. Link supports the amendments to the landlord registration system particularly the categories of additional information that the Bill provides to be available to the public.

Part 13 – Housing (Scotland) Act 2006
19. Link welcomes the additional powers to local authorities to enable them to pay missing shares to a maintenance account in respect of an owner who is unwilling to contribute; the devolving of designation powers in respect of Housing Renewal Areas (HRA); and the discretionary power to refuse to consider an application for an HMO licence, if it considers that requisite planning permission has not been obtained. We would request that the Scottish Government reviews the use local authorities make of the powers in connection with maintenance accounts and HRAs.

Part 14 – Protection for Unauthorised Tenants and Amendments to Local connection under Scottish Homelessness Legislation
20. Link supports the provisions made to protect unauthorised tenants and to amend local authority duties with regard to local connection and homelessness.

Link Group

3rd March 2010