Informal meeting of the Committee to discuss the Housing (Scotland) Bill

Venue: Rothes Halls, Glenrothes on 10 March 2010

Meeting 1

Present:

- Members of the Local Government & Communities Committee
- Councillor Brian Goodall, Chair, Fife Council Housing and Communities Committee & Chair of the Fife Housing Partnership
- Councillor David Ross, Member, Fife Council Housing and Communities Committee & Member of the Fife Housing Partnership
- Derek Muir, Fife Council
- Morag Boyter, Fife Council
- John McArthur, Fife Council
- Alex Condie, Fife Housing Association
- Anne Dickie, Glen Housing Association
- Andrew Saunders, Ore Valley Housing Association
- Alan McGuckin, Kingdom Housing Association
- Jim Parker, Fife Landlords Association
- Sir Peter Erskine, Scottish Landowners Federation

Introduction

The Council welcomed the visit of the Committee which was opportune given that the Council was in the process of being inspected by the Scottish Housing Regulator using a proportionate risk based assessment.

There is evidence of a strong partnership between housing organisations in Fife involving the Council, tenants and the private and social sectors. The Fife Housing Partnership encourages people to work together to achieve the best for Fife and is viewed as a model of excellence. Those taking part in the meeting were very supportive of the work of the Partnership.

It was noted that, 15 years ago, Fife saw the largest stock transfer in Scotland. Housing stock currently ranges from old former Scottish Special Housing Association stock to modern developments. Challenges being faced include a need to bring stock up to meet the Scottish Housing Quality Standard (SHQS) and to address issues such as energy efficiency and climate change.
Issues discussed

1. Right to Buy (RTB)

Those present generally welcomed the provisions in the Bill in relation to RTB, and the balance that it provided between existing rights and removing entitlements from new supply and new tenants. Housing associations and rural landlords said that they would be largely unaffected by the proposals.

The Council acknowledged the staff and resource intensive nature of the current RTB procedures.

While it was acknowledged that RTB receipts were diminishing, it was estimated that Fife would achieve £10 million less in receipts for 2009/10 than business plan estimates. While there would still be an income from rents, it was recognised that improvements to stock (and meeting the Scottish Quality Housing Standard) could not be funded by the 2015 target date through rental income alone.

The proposals to amend Pressured Area Status and to devolve decision-making to local levels were welcomed. There was agreement however that, in designating Pressured Area Status, geography should not be the only consideration taken into account, as there was also a need to consider the range of stock and the needs of local communities. It was pointed out for example, that some parts of Fife were suffering from shortages of particular types of house e.g. 4 bedroom properties and 1 bedroom apartments.

There was some discussion about ending RTB and replacing it with a right to sell. It was pointed out, that currently better properties are being bought and a move to right to sell might result in a drop off in sales. It was also noted that the right to sell would give housing associations the ability to sell off poor quality housing that it would find difficult to bring up to the SHQS.

Modernised RTB was considered to have had a significant impact in stemming the flow of applications to purchase property. Up to 1300 sales had been achieved in peak years, but numbers were now significantly less. It was estimated that a maximum of 140 sales should be achieved in the current year (300 had been forecast). Economic recession was also considered to be a factor in the reduction.

It was pointed out that the affordable house building programme in Fife had reduced as a result of the economic climate, and reductions in the AHIP programme. Notwithstanding this, Fife Council planned to develop 50 new build houses a year for next 5 years.

It was confirmed that 41 new Fife Council houses for rent had been delivered in the last year and the Council had secured Scottish Government grant funding support for a further 2 developments to be commenced 2010/11.
The Council indicated that the affordability of maintaining a Fife Council New Build programme was an issue, especially when the Council has to meet its statutory objectives such as quality standards and the 2012 homelessness target.

The Council promised to send the Committee information on AHIP funding for the last 3 year period and details of approvals and completions that period, and also the 3 year period before that.

The Council also agreed to provide the Committee with information on the average sale value of houses bought under RTB.

2. Registration of private landlords

In terms of problem landlords, the Council indicated that the list of those subject to review was reducing, with 61 problem landlords now listed, of which 15-20 were deemed to be “hardcore” cases. Complaints received against landlords included such issues as lack of repair, gas safety and other general management issues.

As a result of the promotion of landlord registration, between 150 and 250 new landlords were registering per month, with a total of 9625 now currently registered in Fife (over 99% of known landlords). It was estimated however, that (as many as 4000) landlords may remain unregistered.

It was pointed out by the Fife Landlords Association that if some landlords were not registering, others might question whether doing so was worthwhile. There was a concern also that the provisions in the Bill in relation to registration may encourage landlords to leave the sector altogether. They believed that most landlords do a good job, and that in Fife the majority only have 1 or 2 properties. They called for a light touch approach to registering landlords.

The Committee asked for updated information to be provided on the number of private landlords operating in Fife.

3. Regulation of Social Housing

The Council supported the direction taken by the Bill in relation to the regulation of social housing providers, however it considered that there continues to be a need to get the balance right in the Bill in terms of the relationship between the local authority, Audit Scotland and the Scottish Housing Regulator. This had been clarified in part through the Draft Assurance and Improvement plan however work still needed to be done to develop this over the coming years following the SHR baseline inspection of Fife in 2010.

4. Local connection
The Council supported measures in the Bill to enable members of the armed forces to establish a local connection with an area. It already has long-established links with the Black Watch, and is currently developing a project as part of the 2010 homelessness agenda which seeks to address homelessness issues in relation to members of the armed forces.

The Council had heard some resentment during its consultation on the draft Bill in relation to proposals linking local connection with armed forces personnel only. It was suggested that there needed to be a look at wider aspects of local connection, for example in relation to people who live rurally and young people.

Concerns were expressed in the meeting about how the term “local” was defined and the fact that people returning to the area might not be able to stay in the communities in which they have families and support.

Glen Housing Association indicated that it was refining a protocol for managing returning veterans.

4. Other issues

The Council indicated that it would be helpful to have something in the Bill which would help address the transfer policy process in relation to tenants who move home.

It was noted that this Bill was to be followed closely by further legislation on private housing. There were no concerns expressed in the meeting about this, and there was an acknowledgement that it was important to focus on outcomes rather than process.

The Council indicated that it had some issues with the Bill in relation to provisions relating to House in Multiple Occupation (HMOs) and would set these out in a submission to the Committee.

Meeting 2

Present:

- Members of the Local Government & Communities Committee
- Ian Robertson, Glenrothes Area Residents Federation
- Jean Lindsay, Glenrothes Area Residents Federation
- Alastair Angus, Glenrothes Area Residents Federation
- Betty Kaurns, East Fife Federation of Tenants and Residents Association
- Katrina Cuthbert, East Fife Federation of Tenants and Residents Association
- Issi Wilson, East Fife Federation of Tenants and Residents Association
- Tom Smith, Chair, Fife Federation of Tenants and Residents Association
- Roz Eals, Fife Federation of Tenants and Residents Association
1. Right to Buy

Tenants’ supported the Right to Buy proposals contained in the Bill.

FFOTRA suggested that the proposals should be extended to cover voluntary transfers and succession.

There was support for a cut-off date by which RTB should end, but that the entitlements of current tenants should continue.

There was support also for changes being made by the Bill in relation to Pressured Area Designations.

It was acknowledged that there would be a loss of income arising from the RTB proposals. In terms of continuing investment in housing, it was suggested in discussion that tenants perhaps may not mind having to pay a little more in rent if it allowed housing providers to continue to improve and invest in housing in the area.

Whilst supportive of the RTB proposals, some concern was expressed about the complexity of the new arrangements and the potential difficulties in understanding these. Tenants called for the Scottish Government to provide some clarity so they are clear about their individual positions and the revised rules.

Tenants also felt that the Bill should be more prescriptive in some of its language, especially in relation to the RTB proposal. It was suggested, for example, that terms such as “should” and “may” be replaced by terms such as “must” and “will” to ensure clarity and leave no room for doubt.

Some people also thought that people who had previously bought their home under RTB should not be able to rejoin the housing list.

Private landlords

Provisions in the Bill in relation to private landlords were supported.

However, it was considered that not enough was being done to ensure that private landlords are regulated.
More regulation was considered necessary as a means of addressing problems with some private landlords where, for example, they had failed to carry out their maintenance responsibilities or properly insure a property.

It was suggested by FFOTRA that the Council should compel landlords to conform to regulation and that they should set and enforce heavier penalties.

The Council considered that the existing legislative framework was cumbersome and slow. There was an acknowledgment that although there was a range of powers that could be used, the nature of the difficulties makes it difficult for the Council to pin down errant landlords and secure support for action.

The Council explained that part of the problem was also the nature of the landlords, who were buying low value properties and selling these on at a profit, all outwith the legislative framework.

It was hoped that the forthcoming Private Housing Bill may also help address concerns about private landlords. Tenants were keen to respond to the Scottish Government’s consultation on that Bill.

Registration of Social Landlords

FFOTRA considered that local authorities as landlords should require to be registered with the Scottish Housing Regulator, but perhaps in a different way to RSLs.

The Bill allows for the Scottish Housing Regulator to charge RSLs fees and there was a concern that these costs could be passed onto tenants by being reflected in their rents. Tenants felt strongly that should not be penalised and that the fees should be paid for by the Scottish Government.

Scottish Housing Regulator

Tenants supported proposals in the Bill to strengthen the role of the Regulator.

There were concerns expressed however about whether the Regulator would have “teeth”.

Tenants strongly supported their representation on the Board of the Regulator, and that their views must be taken account of. They should also be involved in the Improvement Plan process.

Powers for the Regulator to undertake spot checks on local authorities and RSLs was welcomed.

Social Housing Charter
Tenants took the view that the Charter should be a tenants’ charter, with tenants helping to set standards and objectives.

It was hoped that the Charter should provide tenants with access to documents relating to their involvement e.g. if allocations policies change, tenants must have that information made available to them; they should also have access to Improvement Plans.

**Local Connection**

Tenants supported provisions in the Bill in relation armed forces personnel being able to establish a local connection with an area.