

REPORT TO: HOUSING COMMITTEE – 30TH JUNE 2003

REPORT ON: MODERNISING SCOTLAND’S SOCIAL HOUSING – A CONSULTATION PAPER

REPORT BY: DIRECTOR OF HOUSING

REPORT NO.: 429-2003

1. **PURPOSE OF REPORT**

To outline the Council’s response to the consultation paper “Modernising Scotland’s Social Housing” as per Appendix 1.

2. **RECOMMENDATIONS**

It is recommended that Committee agree:

- (a) The response to the consultation paper “Modernising Scotland’s Social Housing”.
- (b) The response be forwarded to the Scottish Executive.

3. **FINANCIAL IMPLICATIONS**

There will be a requirement for Government funding to meet the new housing standard.

4. **LOCAL AGENDA 21 IMPLICATIONS**

The paper addresses a number of themes including local needs being met locally, access to shelter, protection of health and promotion of security.

5. **EQUAL OPPORTUNITY IMPLICATIONS**

The paper addresses a number of issues including participation and consultation.

6. **BACKGROUND**

The consultation paper “Modernising Scotland’s Social Housing” was issued by the Scottish Executive in April 2003.

The paper sets out proposals and asks for comments on:

(1) **The Scottish Social Housing Standard**

This suggests a minimum quality housing standard for all Scottish social landlords. The standard includes the fabric of the building; insulation and heating levels; common areas; condition of kitchens, bathrooms and related facilities; safety in relation to fire prevention; health related to lead free water and central heating; security in relation to windows, doors, controlled entry systems and emergency lighting in common areas.

External environment issues are specifically excluded due to the complexity of enforcement in mixed tenure estates.

(2) Extending the Prudential Borrowing Regime to Local Authority Housing Capital Finance

Housing capital finance will come under the Prudential Borrowing Regime as of April 2004.

Detailed guidance is awaited.

(3) Innovative Funding and Management Approaches

The paper asks for suggestions for “innovative or radical” approaches to funding and management of social housing. These approaches are to include elements of tenant involvement, delivering the standard through investment and to support effective and transparent management.

(4) Improving the Links Between Housing and Regeneration : The Community Ownership Programme and Partial Transfers

The paper reaffirms the Executive’s view of the benefits of community ownership through the whole stock transfer process. The paper links community ownership directly to regeneration. A regeneration fund of up to £175 M. will be available for Authorities who have been accepted into the community ownership programme. Close links with the community planning partnership must also be demonstrated.

The paper proposes that debt write-off be available for partial stock transfer rather than debt servicing for a fixed period and reviewed thereafter as previously.

Partial transfers must be set in a context of bringing all the Authority’s stock up to standard and within the financial parameters attached to full stock transfer, i.e. not disproportionate in terms of assistance available if all stock transferred.

7. **GENERAL**

The consultation paper asks for responses on a number of specific questions section by section. The response is laid out in a similar format. Copies of the consultation paper and the response are available in the Councillors Lounge.

The Scottish Executive requires a response by 30th June 2003.

8. **CONSULTATION**

The Chief Executive, Director of Finance and Director of Support Services and all Chief Officers have been consulted.

9. **BACKGROUND PAPERS**

Modernising Scotland’s Social Housing – A Consultation Paper (Scottish Executive).

Elaine Zwirlein
DIRECTOR OF HOUSING

11th June 2003

APPENDIX 1

DUNDEE CITY COUNCIL RESPONSE TO MODERNISING SCOTLAND'S SOCIAL HOUSING – A CONSULTATION PAPER

GENERAL COMMENTS

Dundee City Council welcomes the opportunity to comment on the consultation paper and welcomes the proposal to adopt a Housing Quality standard for all social landlords.

Linking the strategy for achieving the standard to wider regeneration issues is sound but the prescriptive approach to financing regeneration does not allow the flexibility and innovation the paper calls for on the part of Local Authorities.

Tight timescales for responses does not allow time for full consultation and the absence of guidance on prudential borrowing while still requiring investment strategies to be reported by September 2003 means that this Council, and no doubt others, will make secondary responses once guidance is received.

Specific points and questions are answered as laid out in the consultation paper – Questions are in **bold**.

SECTION 1 – INTRODUCTION

No comment.

SECTION 2 – SCOTTISH SOCIAL HOUSING STANDARD

1. **Are the key elements of the standard covered in the table broadly the right ones?**

Broadly yes. However, the key elements will require clarification, e.g. “serious disrepair” will have to be clearly defined, “healthy” living requires more than central heating.

2. **Should accessibility be included as a key element?**

Yes. The notion of “homes for life” and “barrier free” should be addressed, otherwise movement of disabled people between homes will continue to be restricted.

3. **Are there any other key elements which should be included?**

Yes.

- Electrical standards to meet latest regulations.
- Services including lifts, pumps, water supply should be included. Particularly relevant in authorities/area with high proportion of multi storey property.
- Dampness and condensation should be considered. While other standards may help to eliminate these problems they should still be mentioned.
- Special facilities for supported accommodation may require a standard, e.g. alarm systems. However this need not be part of the pass/fail system.

- The exterior environment is an important consideration. Some mention of paths, stairs and hard landscaping should be made.

The management of these matters is already a serious issue in mixed tenure estates and one on which many tenants demand action. Poor quality of environment affects lettable and quality of life. The impact of poorly maintained property mixed through an otherwise well maintained estate is costly.

4. Are the detailed areas suggested for each key element broadly the right ones?

- Broadly yes. However some of the structural and facilities items may be impossible to achieve retrospectively and should be restricted to refurbished and/or new build properties.
- Works in communal areas, e.g. lighting and controlled entry may not be possible in mixed tenure blocks if owners are unwilling to co-operate.
- The idea of emergency lighting in common areas needs clarification. Is this stairway, landings, closes, back courts, etc.? Again compliance in mixed tenure blocks may be an issue.

5. Are there any other detailed areas which should be included?

Yes. See 3. above.

In addition, more emphasis should be placed on:

- Type of glazing, e.g. double glazing.
- Minimum facilities in bathrooms should be stated, e.g. bath/w.c./w.h.b. required.
- Ventilation requirements.

6. What are your thoughts on what the appropriate minimum quality levels might be for the detailed areas?

More specific measures should be stated, e.g.

- Minimum energy efficiency for boilers.
- Double glazing.
- Insulated render.
- Free from condensation/damp.
- Specify five lever locks for external doors.
- Safe access to property.

7. Should more of the features of Secured by Design feature in the standard?

Yes. Both internal and external. Security can be compromised by failing in either.

8. What are your views on an appropriate target date for meeting the new standard?

All tenants are entitled to have a house that meets the standard at an early date. This will require additional Scottish Executive funding as rents alone would not be sufficient to introduce the standard at an early date.

9. What would be appropriate interim milestones?

It may be appropriate to tie into a fuel poverty strategy and set dates for:

- Full central heating.
- Double glazing.
- Free from damp and condensation.
- Wind and water tight.

10. We propose that local authorities should provide the following in relation to the standard:

- The number of houses that fall beneath the standard;
- An analysis of the nature of the failure;
- The landlord's strategy to bring failing stock up to standard;
- How much the work is likely to cost;
- How the work will be funded;
- The timetable envisaged to bring all stock up to the minimum standard by target date.

The measure seems reasonable for the purpose. Accuracy of all elements will depend on robust definitions of condition/failure and assessment.

Councils who have completed a stock condition study as part of an NHP option appraisal should have the information available.

SECTION 3 – THE PRUDENTIAL REGIME AND HOUSING CAPITAL FINANCE

We would welcome views on:

11. Whether the current set aside rules should be retained in order to make further inroads into debt levels?

Set aside should not be retained.

12. If the view is that the rules should change should this mean outright abolition or a change in percentage levels.

Set aside should be abolished.

We would welcome views on the (above) reporting requirements that local authorities will be required to provide to the Scottish Executive to support the operation of the Prudential Regime in terms of:

13. The range of information being sought.

14. The timetable for reporting it.

- The only requirement should be for Local Authorities to demonstrate that rents can meet the costs of prudential borrowing.

SECTION 4 – INNOVATIVE APPROACHES TO HOUSING FINANCE AND MANAGEMENT

15. We would welcome views on new approaches which are consistent with the terms of the Minister’s policy announcement and the new financial framework for social housing.

- The time available to formulate a response has not been conducive to generating radical or innovative approaches to housing finance and management. Furthermore the terms of the consultation paper set fairly tight parameters on what might be accepted as radical and innovative.

However, if community ownership and tenant involvement is to be fully implemented full cognisance of tenant views is required together with support for independent advice for communities.

SECTION 5 – IMPROVING THE LINKS BETWEEN HOUSING AND REGENERATION; THE COMMUNITY OWNERSHIP PROGRAMME AND REGENERATION

- This authority has long promoted the link between housing investment and wider regeneration. Many examples exist in Dundee of such action not the least of these being the Ardler NHP development.

Successful regeneration requires funding sources to be more streamlined and reflect outcomes rather than processes. This will require a more flexible approach to the disbursement of funds. Local Authorities should have access to these regeneration funds irrespective of tenure.

The proposal to write off debt for similar projects like Ardler in the future is welcomed.