

WEST DUNBARTONSHIRE COUNCIL

Report by Acting Executive Director of Housing, Environmental and Economic Development (Housing and Regeneration Services)

**Housing, Environment and Economic Development Committee:
9 January 2008**

**Subject: Firm Foundations: The Future of Housing in Scotland
West Dunbartonshire Council's Response**

1. Purpose

1.1 To inform the Committee of the recently published Discussion Document, Firm Foundations: The Future of Housing in Scotland, and to seek its approval to submit a response, as stated at appendix 1, to the Scottish Government. Copies of the Discussion Document have been placed in the Members' rooms.

2. Background

2.1 On 31 October 2007, the Scottish Government published the Firm Foundations Discussion Document (Green Paper). This document sets out the Scottish Government's vision for the housing system and covers the following issues:

- Increasing housing supply
- Affordability and choice
- Sustainable mixed communities
- Higher environmental standards
- Better value for public expenditure

2.2 The Discussion Document contained a questionnaire with 34 questions regarding the Scottish Government's proposals on the future of housing in Scotland. It has requested that all responses to the questionnaire be returned by 25 January 2008.

2.3 On Thursday 6 December, the Council held a seminar for all Registered Tenants and Residents Associations to attend in order to obtain their comments on the Discussion Document. 7 associations were represented at this meeting. Details of the discussion held, and comments that were made in respect of a sample of the proposals examined, are attached to the report at appendix 2.

2.4 All Registered Tenants and Residents Associations were sent a copy of the Discussion Document by the Scottish Government which has asked for a response from them.

3. Main Issues

3.1 The following points outline the Scottish Government's main proposals for the Scottish Housing System and highlight the areas that are of most importance to, or have most impact on West Dunbartonshire Council. A number of the proposals can be incorporated into more than one issue.

3.2 Increasing Housing Supply

3.2.1 The Scottish Government's proposals suggest that new housing supply should increase by 10,000 houses every year in order to reverse the decline in affordability. It acknowledges that the new housing supply has to be of the right type and in the right place and that most will be for owner occupation.

3.2.2 Whilst it is recognised that the increased supply of housing is required, there is concern over how the figure of 10,000 additional units has been reached. In addition, the relationship between the proposed additional 10,000 completions and the Structure Plan and Local Housing Strategy (LHS) assessments of housing demand is not clear.

3.2.3 The Scottish Government also propose changes to the Right to Buy (RTB) legislation. They suggest ending the RTB legislation for all new build socially rented houses. In addition, they also make proposals to allow the RTB to be varied by locality and house type.

3.2.4 This is considered to be a positive approach as evidence can provide a clear picture of the high number of socially rented properties in West Dunbartonshire that have been sold since the inception of the legislation. This has removed supply, and importantly the level of choice available, to the residents of West Dunbartonshire who seek socially rented housing.

3.2.5 Furthermore, the Scottish Government proposes that local authorities could be provided with subsidies to use their prudential borrowing capacity to build new council houses. Subsidy would be provided on a competitive basis to local authorities that can demonstrate the most efficient and effective use of their borrowing capacity to meet the need for social housing in their area.

3.2.6 If the Council wished to consider building new homes, consideration of the requirement to meet the Scottish Housing Quality Standard (SHQS) and the ability to manage its debt levels would be required.

3.2.7 The above issues have been incorporated into the full response from the Council which is attached at appendix 1.

3.3 Affordability and Choice

- 3.3.1** The Scottish Government makes proposals to ease the difficulties faced by first time buyers when attempting to access the owner occupied market. They propose to establish a Low Cost Initiative for First Time buyers (LIFT) to expand the range of products that assist first time buyers to achieve and sustain home ownership.
- 3.3.2** Through LIFT, the Government will work with mortgage providers to create products that will assist first time buyers with home ownership which includes proposals such as a £2000 grant to first time buyers.
- 3.3.3** Clarity over issues such as sustainability and affordability is required before the impact of this proposal can be assessed.
- 3.3.4** The Scottish Government proposes that subsidy to develop socially rented housing could be expanded to non Registered Social Landlords (RSLs) in order to increase the supply of affordable housing. It feels that the requirement to be registered and regulated by Communities Scotland may deter some potential developers and therefore limit additional supply.
- 3.3.5** Since the Discussion Document highlights the need to protect tenants from unacceptable or unmanaged risks it would appear to be desirable for all landlords to be regulated in the same way. In order to safeguard the interests of tenants any developer receiving subsidy should be subject to the same regulatory requirements as RSLs.
- 3.3.6** Arms Length Management Organisations (ALMOs) have been suggested as an alternative to stock transfer in order for local authorities to meet the SHQS. The ALMO would be a separate business that acted exclusively to fulfil the objectives set by the local authority.
- 3.3.7** Based on the information available, debt write-off is not included in the creation of an ALMO, therefore careful scrutiny of the merits of establishing an ALMO in West Dunbartonshire would be required. In addition, it should be noted that there is no reference to the Community Ownership Programme in this document.

3.4 Sustainable Mixed Communities

- 3.4.1** At present, the Scottish Government does not provide subsidy for RSLs to develop new build housing for mid market rent. If an RSL decided to incorporate an element of mid market rent housing into a new development they would have to fund the difference between building the properties and the level of income from rent themselves. The Scottish Government is now proposing to provide subsidy for this type of housing if it is contained within a development for socially rented housing.

3.4.2 While there may be merit in providing housing for mid market rent in order to create more mixed communities, more information will be required on rental structures and allocation of the properties before a decision can be made to produce this type of housing. The Council's Housing Needs and Supply Study will be closely examined to determine if there is a requirement in West Dunbartonshire for this type of housing.

3.5 Higher Environmental Standards

3.5.1 The Scottish Government wishes to promote more environmentally sound design standards and more quality of place, open space and green space within their proposals in Firm Foundations. They foresee that social landlords and all stakeholders will work together in order to promote higher environmental standards.

3.5.2 Higher environmental standards are welcomed and the response at appendix 1 refers to the Council's Open Space Strategy and recent regeneration projects that have provided greenspace as part of the regeneration of an area.

3.6 Better value for public expenditure

3.6.1 The Scottish Government proposes a new means of providing subsidy to RSLs to develop new build social housing. They suggest a competitive process that allocates subsidy to one developer for them to take the lead in meeting the need for RSL housing across a housing market area. The Government see this as enabling the lead developers to secure procurement efficiencies.

3.6.2 The Scottish Government will require the lead developers to identify the greatest amount of resources including money and land and for using these as efficiently and effectively as possible in order to improve the value

4. Personnel Issues

4.1 There are no personnel issues at present.

5. Financial Implications

5.1 There are no financial implications at present.

6. Risk Analysis

6.1 There is no risk associated with this report at this stage.

7. Conclusions

- 7.1** The Scottish Government has covered a broad range of housing issues however, a number of the proposals require more clarity in order that an informed view can be formulated. This has been noted clearly in the attached response.

8. Recommendation

- 8.1** The Committee is asked to agree to the response to the Discussion Document “Firm Foundations” as shown at appendix 1 for submission to the Scottish Government by 25 January 2008.

Irving Hodgson

Acting Executive Director of Housing, Environmental and Economic Development (Housing and Regeneration Services)

Date: 12 December 2007

Person to Contact:	Jeff Stobo, Manager of Strategy, Council Offices, Garshake Road, Dumbarton Tel No. (01389) 737580 Jeff.stobo@west-dunbarton-gov.uk
Appendix:	Appendix 1: The Future of Housing in Scotland – A Discussion Document Appendix 2: Tenants Seminar Appendix 3: Glossary of Abbreviations
Background Papers:	Firm Foundations: The Future of Housing in Scotland published by the Scottish Government
Wards Affected:	All

Appendix 1

West Dunbartonshire Council Response to:

Firm Foundations: The Future of Housing in Scotland A Discussion Document

1. Do you agree that aiming to increase the rate of new housing supply in Scotland to at least 35,000 a year by the middle of the next decade is a sensible and realistic ambition, and that this will help set a necessary political context for acceleration in housing supply?

Within West Dunbartonshire Council there is a general recognition of the need for new build housing. However, it is difficult to comment on the actual figure expressed as it is not known how it has been calculated. More background on how the extra 10,000 houses are going to be split geographically and by tenure is required. Whilst it is recognised that an overall increase in supply is beneficial, concerns have been voiced over how and why this additional number of units has been reached.

The West Dunbartonshire Council Housing Needs and Supply Study is currently being analysed and the identification of any additional supply requirement of housing will arise from this.

There is also concern that there may be a skills shortage to complete the extra building requirements as well as getting house builders to agree to this as they will have control of their own landbanking.

The emphasis should be that new housing in Scotland has to be built in appropriate locations, be of good quality, and meet the needs of the population, not just that a target numbers of houses should be built. Any release of additional land should be within the context of a long term settlement strategy, be subject to proper consultation, and prioritise brownfield land. Additions to the land supply will have to be justifiable by a clear assessment of supply and demand and may be subject to scrutiny at a Public Local Inquiry.

The relationship between the proposed additional 10,000 completions and structure plan/Local Housing Strategy (LHS) assessments of housing demand is not clear. For example, does the proposed rise of at least 40% in housing completions take into account the already increased level of completions proposed in the 2006 Glasgow and the Clyde Valley Structure Plan, which already proposes new areas of growth? There is no information regarding the breakdown of the proposed additional completions by tenure (the tenure split will determine the impact on affordability), or where they are to be built geographically, although it is stated that most of this housing will be for owner occupation.

Increasing land release may not have the direct relationship with higher completions and lower prices that is anticipated. Private housebuilders will not

only have to be willing to build in the areas released, but will also need to have the capacity to deliver increased construction rates.

If greenfield sites are released to achieve this policy, this may not result in an increase in completions, as house builders may just switch to build on these sites instead of continuing to redevelop urban land, which is likely to be more sustainable and supports national policy.

2. Do you agree that, to give practical effect to the ambition, local authorities should co-operate regionally in setting realistic housing targets for housing market areas, and in enabling the delivery of these targets? If so, what arrangements should be put in place to support and provide incentives for such co-operation between relevant local authorities?

Yes. West Dunbartonshire Council would agree to this, however, the practicalities to this would need to be addressed.

There is satisfactory existing cross boundary working across the private sector issues through the Joint Structure plan. In addition, arrangements for co-operation and joint working are present in the Scottish Housing Best Value Network which operates at a Glasgow and Clyde Valley level (as well as Nationally).

The arrangements in place for the Joint Structure Plan could be widened to take into account all tenures, though the logistics of doing this and reaching cross boundary agreements on this may be difficult. Dealing with the socially rented sector is more complex as operational issues and housing management can be dissimilar in each authority. Issues such as allocation policies, population projections and migration flows would have to be examined in depth.

Therefore, in order to strengthen and maintain the existing frameworks, incentives such as funding and increased support will be needed.

Posing this question disregards the experience and proven success of the work of bodies such as the Glasgow and the Clyde Valley Structure Plan Joint Committee in co-ordinating local authorities in joint working and strategic planning. The Joint Committee has established a methodology to assess the supply and demand of housing, and has identified community growth areas to help achieve the agenda for growth and a planned for increase in private sector completions.

Whilst extending this approach to all tenures is considered desirable, the current proposals on Strategic Housing Need and Market Assessment have thrown up significant practical and organisational difficulties which could make the process unmanageable. In addition, whilst considering a housing market model for all tenures, it should be accepted that the LHS has to take a more localised view of housing need, and that social rented households are often

less mobile than private households.

3. Is there a role for a specialist national function to provide expert support for local authorities in strategic planning for housing? What expertise do you think this function would require?

At the moment the Scottish Housing Best Value Network and Communities Scotland fulfil this role therefore a broadly similar approach would be required.

Extensive expertise has been built up in structure planning in the west of Scotland, and any additional expertise must build on this long-established resource.

4. Even when land has planning permission there are still blockages that prevent new housing being built. What additional arrangements would, or could, accelerate development on land with planning permissions to help ensure that future housing supply targets are met?

Any disincentive given to private developers to reduce or discourage landbanking would help. Giving developers tax charges if they wish to hold onto land for any significant period of time would most likely act to discourage private developers from effectively removing that land from the potential of new housing being built.

Releasing additional land may not on its own result in more completions. Additional funding/incentives for land acquisition, decontamination, infrastructure and social rented housing is still needed in areas where private developers consider the market is not strong enough.

5. We have proposed that much expanded or new, stand-alone settlements may be a valid solution. How should we best encourage the development of new, sustainable communities that are sympathetic to Scotland's landscape and environment?

This is not an Option in West Dunbartonshire Council.

The Glasgow and the Clyde Valley Structure Plan developed a process to identify Community Growth Areas which could be useful.

6. How should different types of assistance within LIFT be targeted?

West Dunbartonshire Council has concerns over affordability and sustainability, particularly in relation to house prices – even at entry level.

In the West Dunbartonshire Council area, income levels are around £5000

less than the national average. Therefore, local income levels would also have to be considered when targeting assistance within Low Cost Initiative for First Time buyers (LIFT).

A number of issues for clarification are raised when taking into account this question, which include:

- It is not clear whether the assistance within LIFT will lower the access threshold to a smaller stake than, for example, within Homestake?
- Will the assistance be means tested or a standard grant whereby all first time buyers will be eligible?

In relation to housing and mixed communities, it is agreed that it is sensible to look at different methods of bringing first time buyers into the market. However, if the assistance within LIFT includes lowering the thresholds to include those who earn less, there are concerns over issues surrounding sustainability.

7. How could the Government stimulate more innovative mortgage and related products and services to assist people in purchasing their first home?

West Dunbartonshire Council would recommend that one method of doing this would be to look at making changes to the Shared Ownership Scheme. Households who are experiencing financial difficulty could be permitted to choose to take less of a share than they already have, in effect this would be the sharing owner selling the Association back a percentage of their share in times of financial hardship or change. This would increase the flexibility within the scheme overall.

New initiatives to more widely advertise schemes such as Homestake could be considered, to ensure that anyone who is interested in the scheme has the opportunity to know its availability, including using Estate Agents and a larger mailing list to capture a more extensive audience.

8. Should the Government provide direct cash grants to first-time buyers?

Whilst West Dunbartonshire Council would agree that direct cash grants may assist first time buyers over issues such as payment of solicitors' fees, it is felt that there would have to be clarity on why direct cash grants are paid to first time buyers and the effectiveness that this could bring.

There are concerns over issues relating to sustainability if the grant was given to first time buyers who were ultimately dependent upon this payment for them to become owners. For example, assisting those outside the margins of affordability to achieve owner occupation in the first instance, as this will not then support them in maintaining a mortgage over the longer term.

9. How can the private house-building sector play a bigger role in providing, without public subsidy, increased provision of affordable starter homes?

Private developers landbanking is again an issue here as if it is made compulsory for them to develop affordable housing; they will not release the land.

In addition, West Dunbartonshire Council would be concerned that if it is compulsory for private developers to develop affordable housing, it would not assist in affordability overall as there would be a fear that other housing they were building would go up in price.

Without public subsidy, and as mentioned above, it could be a compulsory requirement that any site has to contain a percentage of affordable housing – as in Affordable Housing Policies. Any such policy, however, would need to be linked to a detailed and robust housing needs assessment.

Sites owned by local authorities could also be sold at District Valuer (DV) valuation or less, with the condition attached that the local authority (in line with their LHS) prescribes what will be built on it, in terms of affordable housing. In the case of Housing revenue Account (HRA) sites, land should only be able to be sold for lower than the DV valuation if debt is written off to avoid the cost of this falling onto tenants.

Any issue here must also take recognition of the steer towards mixed communities.

10. What issues do you consider should be taken into account when considering the increased use of private sector lets to house low-income and homeless households?

West Dunbartonshire Council acknowledge that the private rented sector can play a more enhanced role in meeting the housing needs of homeless and low income households. The commitment within the review of the private rented sector to look at how the sector can best meet the needs of this group is welcomed. The private rented sector has a vital role to play in preventing and responding to homelessness, and in meeting housing need.

Dialogue would therefore be welcomed between the Scottish Government and the Department of Work and Pensions (DWP) on this issue together with dialogue on the lifting of Single Room Rent restrictions, to allow young single households to access housing within the sector.

It is also hoped that any review of the sector, will also examine ways in which private sector tenants can benefit from the same security of tenure as that currently enjoyed by social housing tenants. This is a particularly prevalent

issue in relation to homeless and low income households.

It is also recommended that the Government reviews current legislation and allows the opportunity, where appropriate, for local authorities to discharge their homelessness duties when clients are housed within the private rented sector. In West Dunbartonshire Council there are many positive examples of households accommodated in sustainable housing option through the Rent Deposit Guarantee Scheme, yet the homelessness duty has not been discharged.

11. How should we ensure an appropriate balance between safeguarding tenants' rights and encouraging the private rented sector to achieve its full potential in Scotland's overall housing market?

The commitment to review the private rented sector within Scotland is welcomed and it is hoped that the review will look at the issue of security of tenure within the sector.

Increasing measures to ensure that current methods of regulation and registration are increased and that there is no reduction in these safeguards.

West Dunbartonshire Council would like to see the review of the private rented sector include a consideration of bringing together public and private tenants rights to security of tenure.

The Landlord Registration Scheme has helped to address the problem of safeguarding tenants' rights by enforcing minimum standards by landlords. There has been some criticism of the scheme by a minority of landlords concerned over regulation and the cost of registration, however there is a broad understanding of the aims of the scheme.

The introduction of the National Accreditation Scheme for landlords should be expedited, to improve the image of and confidence in the sector. The Scheme could also play a part in, and lead to, landlords playing an active part in attaining suitable housing.

12. Do you think there is sufficient engagement between the public sector and private landlords? If not, what else should national and local government be doing?

West Dunbartonshire Council welcome the Review of the Private Rented Sector and is looking to support engagement between local authorities and the sector. This will also be highlighted within the LHS full submission in 2009.

There is evidence of good and positive practice throughout Scotland but there appears to be a lack of consistency. It is essential that at a local level there is dialogue between local authorities and private landlords to ensure effective engagement.

The absence of a private landlord forum in many local authority areas,

including West Dunbartonshire, negates the opportunity to achieve sufficient engagement.

Landlord forums could be beneficial for discussion about issues such as housing benefit, environmental health matters, and also as a means of disseminating information. These forums could play their part in ensuring that private sector landlords understand the local authorities' policies towards the private rented sector, and is a good way of informing the local authority about the concerns of private landlords in their area.

Local authorities should take the lead in realising this aim. However, the Scottish Government should ensure that adequate resources are available to support and sustain meaningful engagement mechanisms.

At a local level a landlords' newsletter has been devised and will be sent by post or emailed to all registered landlords to inform them of their statutory responsibilities as well as providing information and awareness of other relevant issues.

13. What other options should we consider for increasing the supply of private rented housing for low income and homeless households?

The proposed National Voluntary Accreditation Scheme should help to address this, and is a valuable tool for increasing the supply of good quality accommodation which will benefit existing and potential tenants and reduce the need for intervention by Council officers.

West Dunbartonshire Council is prioritising the potential to expand the Rent Deposit Guarantee Scheme (RDGS) and is seeking to work in partnership with private landlords in the area to achieve this aim.

It is also planned to review the sector within the local authority area to ascertain how it can form part of the housing solution for the local area and the Council aims to open dialogue with private landlords as soon as possible on this matter. The review of the sector will also allow us to anticipate how effectively a RDGS and a Private Sector Leasing Scheme can operate within a local context.

A Private Sector Leasing Scheme could increase supply of private rented housing and may be advantageous to landlords who are reluctant to let to low income or homeless households. Management of the property may be undertaken either in house by the local authority, or contracted out to a housing association. The advantage to some landlords is that the scheme protects them against potential problems associated with letting property, e.g. unpaid rent, possible damage to the property, and periods when the property is empty.

The Scottish Government should play a role in increasing public confidence in the sector by prioritising the role out of the National Landlord Accreditation Scheme, and taking steps to address the security of tenure issues. Anecdotal

evidence in the West Dunbartonshire area seems to suggest there is a lack of confidence in this sector amongst households facing homelessness.

The lack of confidence in the sector is further enforced within national statistics which indicate loss of private rental accommodation as the highest reason for homelessness outwith relationship issues.

14. How could more private landlords be encouraged to let to tenants on benefits and homeless households?

We welcome the commitment in the Firm Foundations discussion paper to include the private rented sector as a planning and delivery partner in meeting housing need in both a national and local context. To allow this partnership to be effective additional resources to local authorities will be required.

West Dunbartonshire Council operates a Rent Deposit Scheme which provides a guarantee of a rent deposit which is payable to the landlord at the end of the tenancy if any loss or damage is incurred. The deposit enables those who are on a low income and thus unable to raise a deposit on their own to access the private sector. The Council's Environmental Health Section is assisting in promoting this scheme to registered landlords to increase awareness.

Additional resources will allow local authorities to provide increased support to private landlords and the development of services such as mediation between landlords and tenants, and allow the expansion of existing partnership initiatives such as the Rent Deposit Guarantee Scheme. These initiatives will build confidence in the sector throughout all stakeholders.

The Welsh example, where they seem to have successfully engaged the private rented sector should be assessed. Among the examples of positive practice is the development of social letting agencies, and also a policy where grants to private landlords tie them to being involved in nomination agreements with local authorities.

15. What other schemes or incentives might help us to recycle empty properties more effectively?

There are not a significant number of empty homes in the private sector within West Dunbartonshire. Town Centre Initiatives have considered the potential of empty properties (in Dumbarton for example); these brought to notice empty commercial units as well as small number of residential properties. Costs to bring these up to standard were significant.

This issue will be considered as part of the 2009 full submission of the LHS.

Some Local Authorities in England have run empty homes publicity campaigns and distributed leaflets offering advice and assistance to property owners to bring empty homes back into use.

16. Do you agree that we should exempt new build social housing from the Right to Buy?

West Dunbartonshire Council would fully agree with exempting all new build social housing from the Right To Buy (RTB) as there would be little value in funding new socially rented housing if the RTB applies to new social housing.

The Government should also reconsider the extension of RTB to charitable Registered Social Landlords (RSLs) by 2012, which could have a significant effect on the supply of social rented housing.

Since 1998/99 until 2006/07, the number of houses sold by the Council under the right to buy is 2544.

See also comments under Question 26.

17. Do you agree that we should subsidise local authorities in areas of need to use their prudential borrowing capacity to build new council houses?

Yes, if local authorities feel this to be appropriate.

The use of competition to demonstrate the most effective and efficient use of an authority's borrowing capacity may eliminate some authorities from entering into the competition due to their level of Housing Revenue Account debt.

Possibly one of the incentives to borrow could be the writing off of debt for authorities like West Dunbartonshire Council.

18. Do you agree that we should introduce large -scale competitions for subsidy?

The general Government direction in relation to the Efficiency Agenda should be embraced by all public services and in this instance also.

If a large scale competition for subsidy is proven to be a viable process and it creates efficiencies then this would be supported.

19. If not, how would you ensure that public subsidy is used to build as many good quality RSL houses as possible?

n/a

20. Do you agree that we should subsidise the development of houses for mid market rent?

It is West Dunbartonshire Council's view that private sector developers may be more amenable to having a mixed site if the rents of socially rented

housing are mid market.

In addition it would also assist in creating mixed communities in areas where it is appropriate.

The Council's Housing Needs and Supply Study will determine if there is a requirement for mid market rent in West Dunbartonshire, as it is felt that there would need to be a proven demand for it before it is created.

Some clarification of rental structures, application and criteria processes and Housing Benefit regulations will be needed before entering into any mid market renting.

Concern has also been expressed that whilst mid market rents may assist in creating mixed communities, it may also increase divisions within the socially rented sector.

21. If so, should the subsidy be awarded as part of the competitive regime for awarding HAG that we are proposing?

Yes, see comments under question 18.

22. If not, how would you increase variety in social housing?

n/a

23. Do you agree that we should encourage landlords to look at means of adjusting the mix of their stock in the interests of achieving more sustainable mixed communities?

Yes. However, there has to be recognition of the role of the strategic body in terms of the Local Housing Strategy for the area. In addition the Strategic Housing Investment Plan (SHIP) will provide an indication of the funding requirements for the agreed mix of stock required within a sub area.

Will approval for adjusting the mix of stock have to be sought in conjunction with the Local Authority?

24. Do you think that subsidies for development should be provided to bodies other than registered social landlords?

West Dunbartonshire Council believes that a sufficient range of social housing providers exist at present. If this proposal does go forward, other bodies should be subject to the same regulation process and scrutiny as registered social landlords.

25. What sorts of protections should be offered to tenants in these circumstances?

See comments under Question 24.

This would also link back to issues surrounding security of tenure. West Dunbartonshire Council would expect that if this proposal does go forward, security of tenure be equivalent to that provided to tenants within a registered social landlord.

26. Do you think that the Scottish Government should vary Right to Buy discounts by (a) locality and/or (b) type of property?

Yes.

The LHS, with robust evidence from a Housing Needs and Supply Study should be the driving force behind any local decision on the Right To Buy. For example, West Dunbartonshire Council would like to look at the shortage that exists in 2 or more bedroom properties and apply RTB exemptions where necessary.

More flexibility would be welcomed in this process as it is felt that the complexity of applying for Pressurised Area Status has meant that some applications have not been completed.

27. Do you agree that ALMOs can provide a satisfactory alternative to stock transfers?

It is the view of West Dunbartonshire Council that this will only be a satisfactory alternative if debt write off is included in stock managed by Arms Length Management Organisations (ALMOs). This is key to the whole process, therefore the significant issue is the Treasury deciding upon debt write off for ALMOs.

If debt write off applies where stock transfer occurs, it should also apply in this instance and therefore provide the same opportunities as RSLs.

More flexibility is required in how local authorities meet the Scottish Housing Quality Standard (SHQS) and more of a recognition and understanding is required of how local authorities with non traditional stock and a high number of multi story flats meet the SHQS.

In addition, how will ALMOs assist in meeting the SHQS? The Discussion Document refers to financial support being provided for improved performance; however it does not mention meeting the SHQS.

There is also no recognition that ALMOs in existence in England and Wales operate under a different financial system than that which is in operation in Scotland.

West Dunbartonshire Council would also like to note that while the Discussion Document makes reference to stock transfer, no mention is made of the Community Ownership Programme (COP). While the approach to stock

transfer as stated in the Discussion Document provides every indication that the COP will end in March 2008, it is felt that a statement to this effect, and on the Housing Estate Regeneration Fund, should be made.

28. Do you think that additional help from Government to enable landlords to meet the SHQS should be linked to improvements in a landlord's performance?

No. West Dunbartonshire Council feels that there are existing mechanisms through the regulatory process.

29. If so, what measures do you think would be beneficial? If not, why not?

See comments under Question 28.

Ways of achieving debt write off would be more beneficial.

30. Do you agree that we need to find new ways of focussing on the quality of place/open space and greenspace within deprived neighbourhoods?

Providing quality of place/open space and greenspace within any neighbourhood is an issue for West Dunbartonshire Council.

The new Scottish Planning Policy SPP11 provides requirements for an Open Space Strategy. The issue of quality of place/open space and greenspace to an Open Space Strategy will be linked and followed through in any regeneration plan.

We can provide good examples of provision of open space and greenspace within this Council, for example at the Mill of Haldane in the Vale of Leven, where greenspace was provided as part of the wider regeneration taking place in the area.

31. Do you have suggestions for approaches that are not resource intensive and that include stakeholders?

Open space strategies and providing green space is resource intensive; but designing and providing green space should be an essential and integral part of any regeneration initiative.

32. Do you agree that the lead role (and recipient of any resources) to undertake this work should be open to a range of stakeholders?

Yes. The lead role can be a range of bodies and doesn't have to be the local authority. It would be beneficial for a range of stakeholders e.g. Greenspace Trust, to be authorised to take the lead role as one organisation may have more involvement in an area than another, and it would make more sense for them to be responsible for resources and the project.

33. Do you agree with the features and principles we have set out here for a modernised regulation framework?

Yes. The commitment to reducing the regulatory burden on social housing providers is welcomed.

34. How would you like social housing regulation to be organised? (For example, should it be a separate organisation or part of a group of other regulators?)

It is essential that the new organisation is fit for purpose whether it be as a standalone organisation or as part of a group. If it is part of a group there is a risk of a generic regulator being established which will dilute the specialist knowledge required of a regulator in a specific discipline. This in turn could have an impact on the confidence in the organisation of both those being represented and those being regulated.

Appendix 2

Tenants Seminar

Firm Foundations: The Future of Housing in Scotland

6 December 2007

The following Tenant and Resident Associations were represented:

Dalvait & Carrochan T&R Association
Westbridgend T&R Association
Brucehill Action Group T&R Association
Central Alexandria T&R Association
Dalmuir Multi Storey T&R Association
Rosshead T&R Association
Gypsy Travellers Action Group

Right to Buy (RTB)

Discussion:

- Protecting the RTB for those whose houses are demolished may be counter-active. If those tenants get re-housed in new build houses they would have the right to buy them and this could be a substantial number.
- The RTB should be varied on type of house rather than locality, especially those houses that are in short supply such as larger type houses.

Response to Questions:

- The group was in general agreement that the RTB should be ended for all new build housing, however the following points were made:
 - Some members of the group felt that if you have a discount you should be able to keep it as it stands at the moment.
 - Some members of the group feel that the RTB should be varied by type rather than locality
 - It was suggested that it wouldn't be fair to those who have been tenants for a long period of time such as 40 years to get a move to a new build house that possibly they have been waiting for, for some time and lose their RTB.
 - Another opinion was expressed that varying the RTB keeps a certain amount of social housing stock in existence for future generations.

- The majority of the group were in favour of the Government subsidising local authorities to build new council housing
 - Some members of the group expressed the concern that new social house building is not set on a level playing field for Councils and housing associations
 - Other members of the group held the belief that there is a need within West Dunbartonshire for new council houses

Arms Length Management Organisations (ALMOs)

Discussion:

- Some of the group members felt that ALMOs were a risk in Scotland as they had information that in England, the money given to set up ALMOs has now run out and houses have failed to reach the standard
- The group wished it to be noted that ALMOs must be more seriously discussed and issues such as where they would exist and when they would be used need to be clarified. In general, more information on ALMOs is required as there is evidence they have not been successful, so why should they be used in Scotland?

Response to Questions:

- The group was in agreement that they didn't believe that ALMOs were a satisfactory alternative to stock transfer. A number also expressed the opinion that stock transfer was not an option in West Dunbartonshire.
- The majority of the group feel that additional help from Government to enable landlords to meet the SHQS should only be available to local authorities and not housing associations.
 - More information and clarification is required about the links that additional help will have to improved performance and how this will assist Councils like West Dunbartonshire who are in greatest need of assistance to meet the SHQS
 - When should improvements in landlord's performance be assessed from? Some members of the group feel this should be post dated
 - Some members of the group believe that councils should be given more power

Creating Mixed Communities

Discussion:

- Some members of the group felt that creating mixed communities would only work if when creating a new development the different tenures were 'pepper potted' throughout the development instead of segregating social housing from privately owned housing

Response to Questions:

- Other members of the group expressed the concern that mid market rent may increase the stigma attached to socially rented housing as it is not clear how people can access mid market rent housing except from whether they can afford it or not
- The majority of the group felt that more information was needed on mid market rent and also on the proposal of converting existing stock to mid market rent and selling of stock to create more mixed communities
- Some held the opinion that mixed communities are not such a good idea as they create problems for the management of the properties, for example getting an owner to pay a share if a communal repair is required to a block of flats. The view was also expressed that mixed communities stigmatise those in them who live in social housing

New Social Landlords

Response to Questions:

- Most of the group expressed concern over developers other than RSLs to be eligible for subsidy to develop social housing
- The majority of the group felt that if this happened, there would be a high risk to tenants' security of tenure
- Some members of the group felt that primarily Councils should be the developers providing new build social housing and to a lesser extent, housing associations, but not any other developers

Better Neighbourhoods

Discussion

- A number of comments were made about this being an important issue however, some felt that this contradicts the proposals over increasing the supply of housing in Scotland. Some couldn't understand how green and open space could be provided when they perceived the majority of available space/land to be taken up by new house building, in particular for private ownership

- Concerns were also raised about increasing the supply and what this meant for infrastructure such as water and sewerage systems and the ability of roads to handle additional housing supply

Response to Questions

- The majority of members of the group believed that providing quality of place, open and green space to be important

Appendix 3

Glossary of Abbreviations

ALMOs	Arms Length Management Organisations
COP	Community Ownership Programme
DV	District Valuer
DWP	Department of Work and Pensions
HERF	Housing Estate Regeneration Fund
HRA	Housing Revenue Account
LIFT	Low Cost Initiative for First Time Buyers
LHS	Local Housing Strategy
RDGS	Rent Deposit Guarantee Scheme
RSLs	Registered Social Landlords
RTB	Right to Buy
SHIP	Strategic Housing Investment Plan
SHQS	Scottish Housing Quality Standard

