



Glasgow Homelessness Network works to end homelessness in Glasgow, and ensure that outcomes for people affected by homelessness meet their needs, interests and aspirations.

Glasgow Homelessness Network (GHN) brings together a wide range of service users, voluntary organisations and others with an interest in homelessness. GHN is pleased to offer this response to:

**FIRM FOUNDATIONS:
THE FUTURE FOR HOUSING IN SCOTLAND**

January 2008

SCOTTISH GOVERNMENT

1 Executive Summary

Glasgow Homelessness Network warmly welcomes the opportunity to respond to the first Housing Green Paper for Scotland of the 21st century and is pleased to see moves to build on the many significant changes within housing and homelessness policy of the last 10 years. The publication of this Green Paper on the future of housing in Scotland marks the opportunity to support the positive direction of travel at all levels of the homelessness sector to ensure that the wider housing provision across the country is best placed to alleviate homelessness for those experiencing it, and to prevent homelessness from occurring as far as is possible.

This response has been drafted following a number of consultation sessions with GHN member organisations, representing accommodation, advice, support and resettlement service providers across Glasgow and the paper, like the many discussions, will focus mainly upon the debate contained within chapter four of the Green Paper on the private rented sector and how it can be best used to provide choice to homeless households.

If you would like to discuss this response further, please contact Claire Frew at GHN on 0141 276 4825 or email info@ghn.org.uk

On the whole, GHN and members of the network agree that all housing options must be fully utilised if the current gaps, barriers and blockages within the accommodation system evidenced in Glasgow, and undoubtedly elsewhere across Scotland, are to be overcome and to ensure that any transition through homelessness is as short and seamless as possible. Through these considerations a general conclusion was reached that there is indeed an increased role for the private rented sector, as a result of the current accommodation situation, but that this role needs to be very clearly defined and be part of a wider strategy to ensure accommodation is available for people affected by homelessness.

2 Specific Consultation Questions

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?

GHN broadly welcomes the aim of increasing the rate of new housing supply in Scotland, but believes that what is important here is not the target figure in itself, but that as soon as possible, there is enough suitable housing available to address housing need at a cost that is affordable, regardless of sector. As such, any stated target must be broken down into what proportion will be affordable rented housing.

As such, GHN has no particular comment to make on the quoted target of 35,000 houses per year within the next ten years but would seek the commitment from the Scottish Government that if this figure is found to be below what is required that we will not stop at this arbitrary total; and that projections and targets will be reassessed on a regular basis to ensure that Scotland is on track to meet the housing needs of its citizens.

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?

GHN has no comments for this question.

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?

It is difficult to see that it would be possible to create a specialist national function that would be in a position to have the 'expert' knowledge to provide the support referred to on a local level, both between and within local authority areas. However, GHN does believe that the expert support should be available within local authority areas. Strategic planning for housing is absolutely central to meeting the 2012 homelessness targets and more work has to be done to ensure that local housing and homelessness strategies complement and support each other, with a clear recognition of where the housing and homelessness strategic indicators overlap. This needs to be much more than cross-referencing within the strategies and be built upon a much more in-depth strategic understanding of housing need, covering both the prevention and alleviation of homelessness.

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?

GHN has no specific suggestions to make.

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?

GHN has no particular view to express.

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

GHN broadly welcomes the different types of assistance within LIFT but would not like to see them replace a commitment to the provision of affordable rented accommodation to meet evidenced levels of housing need.

Aspirations for home ownership are high across Scotland, but for many people it is as a result of a lack of genuine housing options so the promotion of the expansion of housing options should be the key priority, with LIFT playing a smaller role in providing access to the first step of the housing ladder. Also, home ownership is not a viable option for many people for a variety of reasons so ensuring access to good quality, affordable rented housing still remains as the highest priority in Scotland.

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

GHN has no particular response.

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

There appears to have been a general consensus across the housing sector that the Government should not provide direct cash grants to first-time buyers and GHN would back this position. It is highly possible that the £2000 grant would end up being added to the purchase price and it also has to be questioned for how many first-time buyers £2000 would be the difference between being able to make the purchase price and not. For many, the figures involved would be much higher than this so the impact of an expensive Government scheme could be very limited.

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

Could there be something here about public/private partnerships, whereby local sites could be designated, prioritised or fast-tracked where private developers are increasing affordable housing? GHN has no specific comments.

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?*

When considering the potential expansion of the use of the private rented sector for homeless households a number of crucial issues are central to the debate. Initially it is important to seek clarity on whether the green paper is referring to the increased use of the private rented sector within homelessness in terms of the provision of temporary or permanent accommodation, or both. It would be very useful for this distinction to be made as the issues relating to the increased use of the private sector within homelessness can be different, while overlapping, in respect of whether the tenancies are viewed as temporary provision or genuine housing options in the long term.

At present, homelessness legislation does not allow for the provision of a Short Assured Tenancy, the most commonly used tenancy within the sector, to constitute a discharge of duty for homeless households assessed as being in priority need, and the direction of travel within homelessness is focusing on more people, and not less, being assessed as priority need, with the distinction in time being removed from the legislation over the coming years. Under these circumstances, which are unique to Scotland, the use of private tenancies does not seem to fit as a viable housing option for alleviating homelessness.

For this to be the case a change in tenancy regime within the private rented sector would be required, but the Green Paper does not set out any potential options to ensure that the security of tenure gained through a private rented tenancy meets the minimum requirements of the homelessness legislation.

In addition, GHN welcomes the plans mentioned in the paper for a full review to be carried out of the private rented sector as this review may answer some of the questions set out in this consultation response.

As noted in the executive summary, GHN and members of the network in the city recognise the importance, under the current circumstances, of making best use of all available housing options, including the private rented sector. A number of issues, however, central to the debate, need to be taken into account when considering how to increase use of the private rented sector. Some of these issues will be discussed in this section and others, such as security of tenure, will be addressed in future questions.

These issues represent a number of anticipated tensions that may arise as we increase the use of the private rented sector and, as such, need to be factored into the long term planning and monitoring.

- **Increasing Choice for Homeless Households**

As noted in the Green Paper, it is envisaged that the increased use of the private rental market would open up choices that are currently unavailable for people affected by homelessness. Traditionally, the security of tenure and housing quality issues, to be addressed more fully in a later question, have seen homelessness planners, decision makers and service providers unwilling to advocate the use the private rented sector for homeless applicants; however it is noted that steps are being taken to ensure the availability of a more secure sector that begin to address a number of the concerns shared by those in the homelessness field. These steps include private landlord accreditation schemes and legislation and policy changes related to housing quality and it is recognised that the overall vision is to move towards a sector that meets higher regulated standards.

The question remains, however, as to whether, in the midst of these further developments, we are yet in the position where the private rented sector offers a true and viable choice for homeless households. This true and viable choice can only exist when all housing options allow households to live the full and sustainable lives that we know are central to the prevention of homelessness and repeat homelessness. There are a

number of key concerns around the use of the private rented sector that currently stand in the way of this.

- **Holistic Approach to Homelessness**

The Homelessness Task Force report set out a forward thinking stance, promoting a holistic approach to addressing homelessness. Alongside the many structural barriers that need addressing, the report strongly recommended that wider issues such as employability, health and well-being and social networks all need to be considered if homelessness is going to be resolved sustainably. Questions still remain as to the sustainability of the private rented sector in achieving this. Avoidance of a scenario where a person's housing options are pitted against the other essential aspects of their lives must be avoided as far as possible, so plans to increase the use of the private rented sector for homeless households must be considered very seriously in this light.

It is recognised that the Green Paper refers to the fact that the private rented sector will not be suitable for all homeless households, and GHN agrees with this. However, questions were raised through discussions with member organisations as to how 'suitability' for private rented accommodation would be firstly defined and secondly assessed, and how we would avoid the situation of only the 'good' households moving into the sector potentially leading to further residualisation of the social housing sector which again may lead to increased difficulties in taking a holistic, person centred approach to homelessness.

- **Affordability**

The issue of the affordability of private rented accommodation for people affected by homelessness highlights the vicious circle of housing benefit, suitability of accommodation and employability. In Glasgow we know that the majority of homeless households are in receipt of housing benefit and GHN research, published in September 2006 evidenced that the majority are not in employment or involved in learning or training. The research showed that only 8% of people experiencing homelessness were in employment and only 21% were involved in any kind of learning or training (GHN, 2006), although both previous experience and aspirations were significantly higher (66% & 68% respectively).

As noted previously, however, the Homelessness Task Force was very explicit in recognising employability as a key route out of homelessness and current housing benefit tapers make it very difficult for people accessing private rented accommodation to move along their own individual employability pathway, and create for themselves their sustainable route out of homelessness. It continues to leave people with the direct choice between good quality housing in the area they want and access to employability and

opportunity. Clearly, this should never be a choice that any household has to face in modern Scotland?

In addition, the Green Paper notes the very high satisfaction rates expressed by private tenants, particularly in the younger age group, and looks to see this replicated for people affected by homelessness, a group which is predominated by young single men. The difference in the level of economic activity between the two groups, however, makes the comparison seem overly simplistic and the use of the private sector as a real alternative less viable.

With the importance of employability slowly being embedded into homelessness at both the planning and service delivery level (and homelessness being essentially embedded into employability structures) we have to ensure that steps are taken to make as certain as possible that the very use of the private rented sector itself, in terms of the benefit trap, is not what stops people reaching their housing aspiration when moving on from homelessness and prevents them from being in a position to experience the high satisfaction rates expressed by those currently accessing accommodation within the sector.

- **Structural Housing Benefit Issues**

The general consensus amongst the homelessness network in Glasgow was that increasing the use of the private rented sector within homelessness, while agreed to in principle under the right circumstances, would only be undermined by the current changes to Housing Benefit regulations by the Westminster government. Bringing the two policy ideas together was seen as incredibly difficult.

GHN member organisations raised genuine concerns that, with plans for Local Housing Allowances and having the whole of Glasgow as one local market area, will lead to serious restrictions on the areas of the city that the local housing allowance will cover. As such, we could see a further residualisation of homeless households in the most deprived areas of the city, and may also restrict households to areas they are trying to avoid as a result of feeling violence.

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?

Security of tenure is felt as being the most important issue when considering the increased use of the private rented sector within homelessness. Statistics highlight the significant contribution that the sector makes to homelessness presentations all across the country and, understandably,

many are uneasy with further attempts to use the sector to resolve people's experience of homelessness.

However, it appears that the balance that needs to be struck is between taking appropriate steps to ensure the level of illegal evictions is reduced, possibly addressed through ongoing landlord accreditation work, and finding out what 'permanent' accommodation looks like in reality. How long do homeless households stay in their 'permanent' accommodation? Are people genuinely looking for more than the six months to a year that they are likely to stay in a private tenancy before moving on?

Substantial investigation that seeks to trace people's housing journeys following their offer of permanent accommodation would be incredibly useful in determining how security of tenure and permanent accommodation overlap and where they can mean different things. This may then lead to the position where we can offer people genuine choice over their housing options. As always, however, the viability of this is based upon household's private tenancies ending as a result an agreed decision to move on rather than the harassment and illegal eviction that is still evident in Scotland.

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?

At present there does not appear to be sufficient engagement between the public sector and private landlords. In Glasgow specifically, there is no spokesperson for the private rented sector and most communication and engagement is carried out with individual landlords.

Good work to engage private landlords, however, has already been carried out by rent deposit schemes and learning from their experience would be a positive way to inform plans for further engagement.

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

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

Feedback from member organisations working closely with private landlords suggested that the most common reason for landlords being unwilling to accommodate people accessing housing benefit, whether homeless or not, is the problems they experience in dealing with housing benefit departments. The delays experienced lead many to choose not to engage with the system. It is felt that this is a bigger problem than the stigma attached to the people accessing benefits and homelessness services.

The use of rent deposit schemes across the country, now legislatively required, has helped to address some of these issues and provides a solid starting point for encouraging private landlords to let to tenants on benefits and homeless households. As with the communication issues referred to in question 12, their experience and knowledge across the country could be invaluable in increasing our understanding of what, in reality, would act as encouragement or incentives for private landlords.

As such, GHN would recommend strategic discussions with representatives of rent deposit schemes across the country are held to discuss whether the small role they currently play within homelessness provision can be built upon.

Where the reluctance of private landlords to engage is related to stigma around homelessness, GHN would oppose in the strongest possible terms the idea suggested within the Green Paper of having a 'tenant accreditation scheme'. This opposition stems from three main reasons:

- i. Firstly, if households are accessing suitable accommodation through the homelessness route then they are legally entitled to accommodation which is not subject to passing any further tests based on past experiences or actions. An accreditation scheme for tenants seriously runs the risk of undermining the legal framework for homelessness in terms of the duty to accommodation placed on local authorities;
- ii. Secondly, the Scottish Government continues to recognise the need to address the stigma around homelessness that exists and promotes this through the 'myths and realities' section on their website. A homeless household being subject to an accreditation scheme to prove they are reliable tenants, having already 'passed' a homelessness assessment, only concedes the central point to those who misunderstand homelessness issues by agreeing that the initial starting point should always be that homeless households will be difficult tenants unless they can prove otherwise. Implementing such a scheme will only undermine the good work being undertaken all across Scotland to ensure that the homelessness myths are addressed;
- iii. Thirdly, the practicalities of agreeing what an accreditation scheme would look like and what households would have to evidence to be considered suitable for a private tenancy would make administering such a scheme a virtual impossibility.

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

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

GHN and members of the network in Glasgow warmly welcome the proposal that new build social housing be exempt from the Right to Buy. The impact on the availability of affordable social housing by the selling of good quality properties has long been highlighted, and its further impact on meeting the housing needs of people affected by homelessness has also long been recognised. As such, any measure to maintain levels of good quality social housing are vitally important to ensuring that local authorities are in a position to provide permanent housing for people affected by homelessness.

However, in the longer term, GHN would be in favour of a re-instatement of the Right to Buy under favourable circumstances. If homelessness is to be prevented in Scotland then we have to ensure that there are as many genuine secure housing options available to all within society. In reality, the Right to Buy has enabled many households to enter owner occupation who otherwise would not have been in a position to do so and has created many secure housing circumstances all across the country and this is something that can inevitably prevent homelessness. The Right to Buy is only viable, however, if local authorities and registered social landlords are in a position to be able to replace the stock that is sold based on local housing need. And if an environment was to be created where this was possible then the housing system in Scotland would be able to cater both for those who wish to enter the owner occupied sector at a price that is affordable to them and those who wish to remain in the social rented sector. Homelessness prevention will become much more implicit if such an environment existed in Scotland.

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?

GHN and members of the network, as noted before, believe that all housing options should be considered and all possible finance methods of building new social housing should be taken into account.

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

GHN has no specific response to this question.

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

GHN has no specific points to raise in relation to this.

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

In principle, GHN agrees with attempts to ensure increased variety within affordable housing. However such proposals need to be practical and effective. The present proposal to extend the current practice of providing mid-market rental properties within private housing developments to the provision of such properties within new social rented developments requires clarity.

Traditionally the rents for social housing have been based on the property and not based on the income of the household, and this goes as far as social landlords not being permitted to take income into account when allocating housing. With this in mind, then, what does the Scottish Government envision will encourage a household to pay a higher level of rent for a property at a mid-market rate if they can get the same property, in terms of quality, size and area, through the same landlord for a lesser rent?

Under these proposals, would the mid-market tenant be allocated a better quality home or receive more for their money? Is this based solely on the current stigma around social housing that there is a belief that people would actively decide to pay more for the same product just to avoid living in 'traditional' social housing? If this is the case then it is difficult to see how this will help to 'dispel the sense of stigma attaching to social housing and counter the tendency towards deprivation becoming concentrated in social housing' as referred to in the Green Paper. In fact, it is possible that it will simply create a two-tier social housing system with the stigma remaining in place for the 'lower' level. Also, such a plan raises the question of social housing becoming a means-tested resource.

If it is envisaged that some potential tenants – incoming professionals, teachers and nurses as suggested in the paper – will be able to skip the queue for social housing by paying a higher rent – a case would have to be made as to why this was preferable to the more simple strategy of supplying the amount of social housing that the market demands and increasing the level of good quality, affordable social housing and encourage the private rented sector to play the role of providing mid-market rented accommodation.

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

GHN has no specific comment.

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

Variety in social housing should simply be based upon the provision of a range of property types and sizes in a range of locations. As noted before, it is confusing to think of variety being achieved through differing rent levels.

Local Housing Strategies should contain all of the information required to be able to ensure that there is a sufficient amount of social housing available based on local need and demand and that the stock profile meets the needs of the local population. Only once this is achieved will we see variety in social housing and will we be in a position where a variety of household types consider social housing as a viable housing option.

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?

As noted in our previous answer, a mix of stock is central to achieving sustainable mixed communities and GHN believes that it is through this route that you achieve variety in social housing.

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

GHN would be concerned about development subsidies being made available to bodies other than registered social landlords as a result of the current regulatory framework that is in place and the legislation binding registered social landlords. This is not in place to the same extent for other bodies, either in terms of a regulatory framework or a secure tenancy regime.

With this in mind, if the other subsidised bodies were being used to house vulnerable households or households with legal homelessness rights then we would question how this would be monitored and whether the same processes would be in place in terms of referral and nominations between different landlords.

Also, would there be a requirement on these subsidised bodies to provide affordable housing in the same way as registered social landlords?

Only if the secure tenancy regime, regulatory framework and affordable rent structures were in place would GHN feel more comfortable about bodies other than RSLs being subsidised. For all of this to be in place, however, the alternative body would effectively become a Registered Social Landlord.

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

As with the previous answer, GHN believes that the protection offered to tenants would need to cover the security of the tenancy regime, access to

the housing, affordable rent levels and the additional security of a publicly reported regulation and inspection process so they have access to information on the performance standards of their landlord.

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

The impact of the Right to Buy has been felt in different ways across different areas of the country and GHN agrees that this should be reflected in Right to Buy discounts. Local Authorities should be in a position to vary the discounts based on their own experiences in order to ensure that the stock profile required, in terms of property type, is available to meet the needs of local population, and that they are available in the particular areas that people want to live.

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

GHN has no particularly strong view on using ALMOs as an alternative to stock transfer, but would like to raise the issue of ensuring homelessness remains a top priority whatever management structures are in place. Any move away from local authorities directly managing their housing stock has important implications for local authorities being in a position to be able to meet their statutory homelessness duties so a number of planning issues must be taken into consideration.

Alongside SCSH, GHN would like to raise the issue of the findings of recent research into homelessness services post stock transfer as these findings would be equally applicable if ALMOs were in place. The research recommended that arrangements for accessing the housing required for the local authority to meet their statutory duty must be in place as early as possible in negotiations and planning and not just considered once the transfer has taken place (or the ALMO has been established).

If the Scottish Government takes the decision to promote ALMOs as a viable alternative to stock transfer then GHN would strongly recommend that any guidance issued in relation to their establishment must have planning for homelessness provision as a central theme, covering issues such as requirements for temporary and permanent accommodation and referral routes. If practical homelessness issues are not factored into the initial negotiations for the establishment of an ALMO then we are likely to repeat the same mistakes that have been made with previous stock transfers where the homelessness implications and relevant procedural issues are only dealt with after the event and has a negative impact on those accessing housing and homelessness services.

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?

GHN and members of the network firmly believe that the quality level to be attained through the Scottish Housing Quality Standard is vital in terms of both the prevention and alleviation of homelessness and, as such, all possible support and help should be provided to enable landlords to meet this standard.

General concern exists, however, that linking this additional help and support to improvements in a landlord's performance will only put us in a position where tenants were being punished for the poor performance and failures of their landlord. What we need to avoid is a situation where households are living in statutorily homeless conditions due to the poor quality of their accommodation and that this is a result of their landlord not receiving additional Government support to meet the SHQS. Tenants are not responsible for the actions of their landlords and must not be the ones to be most negatively affected by governmental attempts to regulate landlords.

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

GHN does not agree that additional help to meet the SHQS should be linked to improvements in a landlord's performance as it is believed that this will ultimately have more of a negative effect on tenants who will be punished for their landlord's performance.

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

GHN has no specific comments to make.

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

GHN has no specific suggestions.

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?

GHN has no specific comments to make.

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

In principle GHN and members of the network are in agreement with the changes suggested to the current regulation and inspection process although there would be concern if some form of cyclical inspections were not being carried out. Excellent practice in one particular year is no guarantee of future practice and GHN does not believe that a baseline assessment is enough. Many changes can occur including changes in the board or staffing complement of the RSL that can have a significant impact on performance and GHN would like to see the cyclical inspections remain. In addition, even if high levels of good practice continue the publishing of inspection reports can form a positive way of sharing good practice and we should be looking for as many options as possible to see this continue.

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?)

GHN has no definite view and sees the benefits of either option.

5 Conclusion

In conclusion, GHN and members of the network across Glasgow welcome the Housing Green Paper and see value in a number of the suggestions and issues raised. Our overall consideration was for the potential of increasing the use of the private rented sector for people affected by homelessness and it was concluded that, under current circumstances all housing options must be considered, but that there are a number of challenges associated with further use of the sector that must be addressed.