



Glasgow City Council

Neighbourhoods, Housing and Public Realm
City Policy Committee

Report by Executive Director of Regeneration and the
Economy

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Item 2

10th March 2020

PRIVATE SECTOR HOUSING GRANT PROGRAMME (PSHG)

Purpose of Report:

To provide members with details of how PSHG funding totalling £7.982m was allocated in 2019/20 and to highlight PSHG programme priorities for 2020/21.

Recommendations:

That Committee:

1. notes PSHG programme expenditure for 2019/20 totalling £7.982m.
2. notes the programme proposals for 2020/21 which includes tackling a range of private housing repair and property management issues across the city, through a new area-based initiative in Ibrox / Cessnock while re-stating our commitment to the provision of PSHG funding for Govanhill and other partnership areas.
3. refer the report to City Administration Committee for approval.

Ward No(s):

Citywide:

Local member(s) advised: Yes No consulted: Yes No

1. Policy Background

- 1.1 The Housing (Scotland) Act 2006, enacted in 2009, introduced a new policy framework for private sector housing with a greater focus being placed on owners to take responsibility for the maintenance and repair of their own properties.
- 1.2 The scale of the housing disrepair is captured by the Scottish Housing Condition Survey 2019 which estimates that in Glasgow 51% of owner occupied dwellings and 60% of private rented dwellings have critical disrepair with higher proportions of critical disrepair evident in older and flatted housing. Critical disrepair refers to disrepair to building elements central to weather-tightness, structural stability and prevention of property deterioration.
- 1.3 The Council's approach to assisting owners in the repair and maintenance of private sector housing is contained within Glasgow's Housing Strategy and our Statement (Scheme) of Assistance.
- 1.4 A key strategic priority of Glasgow Housing Strategy 2017-22 is to 'Manage, maintain and improve our existing housing stock' as the existing housing stock in the city provides much needed housing supply for our residents and creates the foundation for thriving neighbourhoods. Improving private sector housing quality enables energy efficiency improvements and supports wider regeneration objectives for our communities, contributing towards multiple outcomes of the Council's Strategic Plan.

2. Context

- 2.1 Around 64% of the housing stock in the city, equating to 194,000 homes, is in private ownership of which 60,000 are private rented.
- 2.2 Of particular concern is the condition of the circa 70,000 pre-1919 tenement flats. In addition to providing housing for many of the city's residents and operating as a crucially important affordable segment of the owner occupied and private rented sector markets, the pre-1919 tenements also constitute an important part of Glasgow's rich built heritage.
- 2.3 Private housing in serious disrepair can be found in many areas of the city. There are specific concentrations of older private houses in poor condition in a number of inner city areas such as Govanhill, Ibrox/ Cessnock, Strathbungo, East Pollokshields in the Southside and Haghill / Dennistoun in the East End. Common repair and maintenance problems are also becoming more prevalent in more modern private tenement developments in private ownership.
- 2.4 Investment in the private sector housing stock has been instrumental in halting the decline and, in many cases, preventing the demolition of pre-1919 tenements. Costs to repair buildings of this type can often be in excess of £250,000. Proactive work continues to be carried out on preventative maintenance to identify and repair defects at an early stage in order to reduce costs.

- 2.5 The growth in the private rented sector and in particular specific areas of the city with lower value housing, has contributed to challenges in getting common repairs carried out. In addition, some owners are unaware of their responsibilities in terms of common repairs while others are either unable or unwilling to pay for necessary works.
- 2.6 Establishing effective property management is a vital part of the strategy to repair and sustain private housing in the city. This was reconfirmed by the findings of the Glasgow Factoring in 2014 which was set up to consider issues of common repair and how to improve property management within the housing stock. The Council offers support to factors and owners to carry out common repairs and maintain their tenement properties and financial assistance may be considered where effective property management arrangements and a common building insurance policy are in place for the property.

3. Current Programme

- 3.1 In accordance with our current Scheme of Assistance the Council will, in most cases, offer advice, information or practical support to private owners. In certain circumstances financial assistance will be available to encourage private owners to repair and maintain their properties on a voluntary basis, in other situations statutory intervention is necessary to safeguard the city's housing stock.
- 3.2 Local authorities have a legal obligation to provide grant assistance for certain essential adaptation works to meet the needs of a disabled person. Programmes are delivered through Assisted Living (City Building) and Equipu. From 1st April 2016, equipment & adaptations for private sector housing became the responsibility of the Glasgow City Health & Social Care Partnership (HSCP). However, DRS Housing and Regeneration Services (DHRS) Private Sector team continue to manage this service on the HSCP's behalf. In addition, DHRS continues to support Glasgow Care and Repair which provides a valuable service to private owners over the age of 65 and those with a disability, in the form of advice and information, and the provision of practical support in organising property repairs and progressing adaptation works.
- 3.3 In order to sustain the tenement stock within the city, financial assistance may be available to assist owners in carrying out common repair works. Priority is given to the pre 1919 tenement stock and in the case of major repairs, owners must meet the first £5,000 of their share of the costs. The property must also be factored or a factor requires to be appointed and owners must agree to common building insurance. Statutory action is taken as a last resort where owners are unwilling or are unable to maintain their properties. Small scale grants or financial contributions can be considered to bring tenement properties up to a factoring standard.
- 3.4 Funding has also been made available from PSHG to assist owners in tenements where funding has already been secured from the Scottish Government's Home Energy Efficiency programme for Scotland: Area Based Schemes (HEEPS: ABS). Many of the properties identified for External Wall Insulation require common fabric repairs and these works need to be carried out to complement

the energy efficiency measures and safeguard investment in the buildings. A change in the qualification criteria for private landlords accessing HEEPS funding has curtailed this programme.

- 3.5 Where a majority of owners are in favour of carrying out common repair/maintenance works to their building, support is provided through the 'Missing Share' programme. This involves underwriting the costs of the minority of owners who are unwilling or are unable to pay their repair share and these owners are pursued for full recovery of their costs on completion of the works. This programme has been extremely effective as a substantial number of defaulting owners will pay. In total DHRS has facilitated £11.932m of works to private housing since 2012 with a financial outlay of £653,059 by the Council. A letter from DHRS to an owner is often sufficient to secure an owner's payment.
- 3.6 A number of housing initiatives have been progressed across the city where the private sector housing stock is in poor condition, there is a lack of a property management regime and/ or lack of factoring, often in areas where there is a high concentration of private rented properties. By partnering with Registered Social Landlords (RSLs) this has allowed us to identify and tackle poor standard private housing in a number of areas in the city.
- 3.7 Govanhill has been a jointly funded priority for the Council, Scottish Government and Govanhill Housing Association with around £40m in capital funding being committed by the partners over a 4 year period 2017/18 to 2021/22. The sum of £1m from the PSHG budget has been earmarked annually over this period as part of this strategy. Tackling property condition and management issues in the tenement stock is a major priority within the strategy.
- 3.8 DHRS has been working in partnership with Thenu Housing Association and Rosehill Housing Cooperative to tackle property condition and management issues in the former Barratt developments at London Road/Monteith Row in the Calton area (173 properties) and Ravenscraig Drive/Linnhead Drive in the Priesthill area of the city (197 properties). A repairs initiative within the Haghill area has also been undertaken with Milnbank Housing Association while repair strategies for the pre 1919 tenement stock in Ibrox/Cessnock are being progressed with Govan Housing Association and in Strathbungo and East Pollokshields with Southside Housing Association.
- 3.9 A stock condition survey of 500 pre 1919 tenement properties is being carried out and the results from this will help inform future policy and the requirement for further area initiatives. An initial pilot was undertaken of 50 tenement properties in the Ibrox/Cessnock area which has resulted in the launch of the Ibrox/Cessnock housing strategy.

3.10 PSHG Programme expenditure for 2019/20 is noted below.

Private Sector Housing Grant Programme (PSHG)	Budget (£) 2019/20
PSHG Budget	7,982,000

Projected Breakdown of PSHG Programme Expenditure	Expenditure (£) 2019/20
Disabled Adaptations and Care and Repair	2,170,000
Voluntary Repairs	3,000,000
Statutory Repairs incl Missing Shares and Small scale Works	1,175,000
Govanhill	1,000,000
Housing Initiatives	600,000
Other	37,000
TOTAL	7,982,000

4. Proposals for 2020/21

- 4.1 The Strategic Housing Investment Plan (SHIP) 2019/20 to 2023/4 reaffirms that the pro-active property management and factoring of housing is fundamental to the future sustainability of the private sector housing stock. This will continue to be a key funding priority for the PSHG programme where financial assistance is linked to the appointment of factoring services, introduction of maintenance plans and common building insurance for properties in common ownership. This will also help safeguard both council and owners' investment.
- 4.2 The Council must meet its statutory requirements and will require to provide financial assistance for adaptations for disabled persons where there is an assessed critical need. Should financial resources permit, applicants assessed with substantial need would also be considered. It is proposed that DHRS will continue to manage the Adaptations programme on behalf of the Glasgow City Health & Social Care Partnership.
- 4.3 The PSHG programme will continue to support owners through the Missing Shares initiative as this has made a considerable impact on encouraging owners to take responsibility for the repair and maintenance of their properties by offering support to the majority of owners who wish to instruct common repair works. All council funding is recoverable under this programme.
- 4.4 Financial support will continue to be provided for private owners where they take responsibility for the repair of their tenement properties and are prepared to carry out works on a voluntary basis, in line with our Scheme of Assistance. The Council will also continue to support the Under One Roof website which provides impartial advice and information on repairs and maintenance in common blocks.

- 4.5 The stock condition survey which is due to complete by the end of March 2020 will provide valuable information on the level of disrepair within the pre 1919 tenement stock including indicative cost information for property owners and factors. The surveys will inform the future targeting of PSHG and development of area strategies to tackle disrepair and facilitate effective property management arrangements. This will also help inform our future statutory repair programmes including the service of Maintenance Orders where appropriate. The surveys will also provide strategic insight into the scale and costs associated with the repair of the pre-1919 tenement stock across the city.
- 4.6 The area strategy approach adopted for the former Barratt development bounded by Ravenscraig Drive/Linnhead Drive /Glenmuir Drive and Househillmuir Road in the Priesthill area of the city (197 properties) will continue. Working in partnership with Rosehill Housing Co-operative and property owners. External Wall Insulation and external fabric repair works have been completed with the next phase of works focussing on common close security. Following this, the final stage will focus on the improvement of external communal areas.
- 4.7 The Ibrox/ Cessnock area will be a key focus for future programmes following the launch of our housing strategy. The Council and Govan Housing Association have agreed to work in partnership towards tackling disrepair in pre-1919 tenement stock. For the purpose of the strategy the geographical area will cover 295 pre-1919 tenement buildings in 33 blocks with an initial focus on six priority blocks.
- 4.8 Govanhill will continue to receive a financial commitment of £1m from PSHG as outlined in the Govanhill Strategy. The area will remain a priority for funding during 2020/21 from the various partner organisations. Entering into the final year of the strategy DHRS focus will continue to remain on property condition and management issues.
- 4.9 Making better use of underutilised housing and property assets will have a renewed focus following approval of Glasgow's Empty Homes Strategy by the City Administration Committee on 28th November 2019. A key priority of the strategy will be to tackle the problem of empty flats and empty commercial units on the ground floor of tenement properties which are preventing common repairs from being carried out. The aim will be to bring these properties back into residential use under the ownership of a RSL partner to facilitate the repair and maintenance of tenement buildings particularly within strategic areas.

5. Policy and Resource Implications

Resource Implications:

Financial: The financial implications set out in the report will be fully funded and take into account future capital planning assumptions.

Legal: The Council will continue to meet its legal obligations in terms of adaptation works.

Personnel: Staff input required to assist in the delivery of the programme has been accounted for within existing resources.

Procurement: A framework is currently in place for the statutory repairs programme.

Council Strategic Plan: The programme supports:

Resilient and Empowered Neighbourhoods
Priority 77: Support and enhance Glasgow's conservation areas.

Priority 80: Deliver the Glasgow Housing Strategy, including utilising funding from the Scottish Government and development partners to step up progress on the city's priority Transformational Regeneration Areas and Development Framework Areas.

Priority 81: Bring empty homes back into use.

Priority 84: Extend our approach to Enhanced Enforcement Areas to tackle problems in the private rented sector and take action against rogue landlords.

Priority 85: Develop a repair and maintenance strategy with registered social landlords and private owners for pre 1919 properties in the city.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2017-21

Yes. This initiative will help deliver key strategic outcomes of Glasgow's Housing Strategy 2017 – 2021, which has been subject to an EQIA.

What are the potential equality impacts as a result of this report?

Improvement to housing stock particularly in lower end of the private rented sector will bring a range of benefits to many residents.

Please highlight if the policy/proposal will help address socio economic disadvantage.

Yes. The PSHG programme will improve the standard of accommodation for owners which should reduce fuel costs for residents and increase property values for owners in the longer term.

Sustainability Impacts:

Environmental:

Better estate and housing management practices will result. Owners will become better informed regarding their responsibilities and properties will be maintained to a higher standard.

Social, including opportunities under Article 20 of the European Public Procurement Directive

The quality of housing for residents will be significantly improved as a result of the investment undertaken.

Economic:

The aim is to attract new funding from Scottish Government and other organisations such as Historic Environment Scotland which will potentially have a positive impact on property values in the future.

Privacy and Data Protection impacts:

There are no privacy and Data Protection impacts.

6. Recommendations

That Committee:

1. notes PSHG programme expenditure for 2019/20 totalling £7.982m.
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