



Glasgow and West of Scotland
Forum of Housing Associations

GWSF response to Glasgow's draft Local Housing Strategy

31 March 2023

1 Introduction

On behalf of our 40 member associations in Glasgow, GWSF welcomes the opportunity to comment on the Council's draft Local Housing Strategy (LHS).

Our members very much value the partnership working they, GCC and other partners engage in on a day to day basis across the City. This response aims to reflect that, commenting both on areas where doing things differently may be mutually beneficial, and on the contribution which associations are making and can further make to help Glasgow achieve its objectives to the benefit of its people and communities.

Our response starts from the broad premise that the overall direction of the City's housing strategy in recent years has had the broad support of community based housing associations, focusing as it does on all the main housing tenures and on issues that are particular to Glasgow, including the large proportion of traditional tenemental stock.

Whilst the amount of GCC resources that can be invested in the City will always be an area of concern to all parties, our members have not indicated in recent years that they are seeking major changes in the general direction of the housing strategy, and so our comments are mostly limited to points of detail.

We have not sought to comment on every section of the draft LHS. The absence of comments on any given section can be taken as demonstrating that we welcome what is being outlined or proposed (or, where it relates to something outwith our remit to comment, that we have no fixed view).

2 Supporting and protecting the community based housing sector

GWSF warmly welcomes the statement (page 16) on the value it attaches to the role and contribution of community based housing associations (CBHAs):

Glasgow's Place Commission highlights the importance of community-based housing associations as one of Glasgow's pre-eminent success stories for creating better places. The Council values the contribution these organisations have made through their knowledge, insights and links with tenants, residents and communities, to improving the lives of Glasgow's people since the late 1960s. The Council is keen to continue working closely in partnership with CBHAs, and to explore potential new ways of collaborating, to help achieve our housing and regeneration objectives, including new build and acquisitions as well as continuing and expanding work to tackle poor private and mixed tenure housing across the City.

The Forum is greatly concerned at recent and current takeovers, or proposed takeovers, of CBHAs to large, national housing associations, with the loss of assets, local service and intimate knowledge and understanding of the community that takeovers invariably entail. With the existence of one very large association in the City, the sector diversity which CBHAs bring is all the more critical as a balancing factor.

We strongly believe that the role of CBHAs is very much consistent with the community empowerment and community wealth building objectives of the Scottish Government. Indeed the current Scottish Government consultation on community wealth building emphasises that a key facet of CWB is the retention of assets within the community that has created and built up those assets.

The CBHA role is also, in our view, consistent with the Council's ongoing wish to see local communities thriving. This does not happen by itself, and instead tends to be strongly facilitated by local anchor organisations, of which CBHAs are the most obvious and commonly found example.

As we have done in the past, we will always seek to engage with officials and elected members on ways in which the Council can demonstrate support for CBHAs as our member associations, in turn, seek to support the achievement of the Council's own objectives.

3 Glasgow's housing priorities

The social/affordable housing new supply programme

GWSF is supportive of the key aims of the new supply programme in Glasgow, so have few comments on this.

We welcome the flexibility which Glasgow has long demonstrated in terms of willingness to provide grant at levels which may sometimes be significantly higher than benchmark rates (which are, in any event, not the maximum figures some councils deem them to be). Indeed without such flexibility, few if any new homes

would be provided in the coming 12-24 months and the programme would stall very badly.

We would note that whilst there is a reference to 50% of the expected overall new supply being 'affordable', there is no explicit reference to what proportion of the affordable provision is expected to be social housing (the draft states that it was 76% between 2017 and 2022). Whilst the latest SHIP further demonstrates that the intention is for the great majority of new affordable provision to be social, the draft LHS refers only to a 'majority' being social, and so the lack of a specified percentage target does seem like a significant omission which could be rectified.

We are unclear whether 'Build to Rent' provision involves anything other than unfettered market rents or some form of sub-market rent. This could usefully be clarified in the BtR section (page 27).

We are content to see mid market rent (MMR) forming a part of the overall programme, as long as it is provided sustainably. For GWSF, this means its availability in a given location genuinely meets a mid-point between social and market rents – usually this means an area where private rents are on the high side.

However, there are a number of aspects of MMR which need to be reviewed, and it is recognised that such a review would ideally be taking place at the Scottish Government level. A priority is the extent to which it remains possible to keep rent levels within Local Housing Allowance when LHA has been eroded in real terms over a period of years, accentuated by the impact of high inflation in the last 12-18 months.

There is a link between MMR provision and the likelihood of an affordable housing policy (Section 75) being developed. In some areas, dubious forms of MMR have been allowed to form part of the 'affordable housing' provision and the waters have become muddled. We would urge GCC to consider only that MMR which is genuinely aimed at meeting the mid-point between social and private rents and is intended to be MMR in perpetuity: in most cases this will, by nature, be grant-funded MMR. Other so-called MMR may have much higher rents and be barely distinguishable from full market rents, and/or may be reliant on the need for future sales (as was the case with the original National Housing Trust model).

Common Housing Register and assessing demand for social housing

GWSF recognises that the existence of such a large number of housing associations across the City has always made the notion of a Common Housing Register, even in a relatively simple form, very challenging. But it is not fair and not sustainable that even in a specific local area (excepting those areas where joint approaches have been in place for some time), applicants normally have to apply separately to each individual association.

It is also the case that with associations only able to give a restricted proportion of their overall lets to housing list applicants, due to the pressure to allocate to homeless households, some of the motivation for devising a form of CHR may have reduced in recent years.

We believe it is important that developments relating to some form of CHR are not led by GCC's (understandable) hunger for better data on housing need. This will always be a key factor, but it is primarily the needs of people seeking housing that should dictate the type of CHR solutions that are pursued.

GWSF is keen to form a joint working group with GCC to consider options for making it easier for people to apply for housing. CBHAs will be keen to play their part in exploring how this can be addressed to the benefit of people looking for housing. We think solutions are likely to be locally focused if they are to be workable, as long as there are simple ways in which people can also apply to associations in other parts of the City where they wish to.

We believe two fundamental issues have to be addressed in putting a greater degree of commonality into how applications and allocations are made. One is how much associations are willing to agree common allocations criteria, which would mean letting go of some of their own specific criteria at the fringes of their allocations policy.

The second is around the different systems/processes associations already use to allocate. Wheatley have their own choice based lettings scheme and some other associations have a different type of CBL scheme, whilst the majority still use a traditional allocations system. This is hopefully not an insurmountable problem, but it does make for a complex framework into which a CHR may have to be fitted, depending (again) on the extent of willingness of individual associations to compromise if this proves necessary.

Making best use of strategic acquisitions

GWSF welcomes the ongoing importance which GCC attaches to the role – and potentially expanded role – of strategic acquisitions of private housing. This both boosts social housing supply and can address poor private housing by giving associations majority or full control over tenement blocks. There may also be scope for using acquisitions to help address the long-standing shortage of larger family housing of four or more bedrooms, not least as these have always been difficult to make stack up under the current way in which grant and rent benchmarks are calculated.

We believe that nationally, and certainly in Glasgow, the potential role of acquisitions will only grow as cost and related challenges in providing new build remain with us for the foreseeable future.

Acquisitions are something we discuss regularly with GCC, and we welcome the Council's in-principle willingness to look at how further flexibility can be built into the system to address the challenges which some associations have been experiencing. We believe there is scope to look at how grant for both purchase and rehab is calculated, at how to address the issue of needing to make offers over the valuation, and to reconsider the current bar on acquisitions being used (in a minority of cases) for mid market rent provision.

We would also want to express the hope that as strategic, targeted acquisitions become a greater part of the new supply programme in Glasgow, the tendency for them to be the source of short-notice, reactive promotion late in the financial year, will reduce significantly.

Scoping the development of an affordable housing policy ('Section 75')

GWSF recognises the desire, particularly among some elected members, for Glasgow to follow other councils and develop an affordable housing policy, and equally the desire that this does not simply mean transferring a commuted sum for use elsewhere, but that a proportion of any private development is social (and/or potentially mid market rent) housing.

We are keen to be closely involved in discussions on how a Section 75 approach might be developed in the City. Our initial sense is that where it is done in the right way and in the right place, it may well be a means of securing social housing in an area which might otherwise struggle to see this provided.

To work well, the application of Section 75 should, wherever possible, be reflected in the price paid for the land, in which case there is less likely to be any resistance from developers. And there needs to be genuine partnership between the private developer and housing association from the outset: apart from anything else, this means ensuring that the quality of the provision is appropriate and not compromised when compared with mainstream HA new build.

Some private developers do little other than provide social housing, and they are more likely to understand the need for enhanced standards to be met. Some other developers are less experienced in social housing provision. Any development of a Section 75 policy must not lead to a reduction in the quality of social housing, and we would expect the Council to have its usual systems in place to ensure that national and any additional local standards are met in full where a proportion of a private development is to be social/affordable housing.

We also believe it would be important for a local community based housing association to normally have 'first refusal' where the intention is to secure a proportion of a private housing development for social or mid market rent housing (we recognise that in some cases there may be more than one such local

association). We imagine that this would indeed be built in to the policy, given the general supportive approach GCC has to the network of CBHAs across the City.

It would seem appropriate any Section 75 approach to initially be tested in one or two particular cases/locations, wherever possible learning from the use of Section 75 in other cities.

We look forward to contributing to discussions on how an affordable housing policy for the City is explored and developed.

Retrofit and pre-1919 tenements

GCC has always tried to accord a significant degree of priority to addressing poor private housing, and in GWSF's view understands the issues better than many other councils. We welcome the continuing focus on tenements and indeed the intention to increase investment. Most immediately, investment in supporting owners' costs will help unblock maintenance and energy efficiency works to mixed tenure tenements, without which these buildings will never achieve satisfactory energy ratings.

GWSF values the partnership working our members have with GCC on this issue, through our joint GCC/GWSF Tenements Working Group and through ongoing liaison between GCC officials and individual associations.

Our overall perspective on the retrofit challenge for housing associations is that we are likely to see a potentially prolonged period of caution as the sector 'watches and waits' to see what level of public subsidy is available to take the pressure off rents, and what technical solutions (for both the property fabric and renewable heating systems) are identified – and tested – for different types of existing stock. This caution will extend long beyond the initial outcome of the review of EESSH 2 later this year.

On top of this uncertainty is the obvious connection between property condition and the challenge of making homes energy efficient. Glasgow understands this connection, but we do not believe the same recognition exists in some key parts of the Scottish Government, where heat and energy issues are usually considered entirely in isolation from property condition.

Community based housing associations in Glasgow will always seek to tackle the retrofit challenge in partnership with the Council, but the scale of financial and related support which both parties will need to see from the Scottish Government cannot be underestimated: we cannot risk identifying solutions which transfer too great a burden onto the rent paid by tenants already reeling from the cost of living crisis.

Delivering larger family homes

The draft LHS refers to grant benchmarks not being conducive to the provision of larger family housing. It may be more accurate to say that the cost of providing larger homes is disproportionately high, as the benchmarks do not in themselves preclude any local authority from funding whatever they deem to be a priority, and that the way the 3-person equivalent *rent* benchmarks operate may be a greater factor in making investment in larger homes difficult for associations.

Increasing the supply of specialist housing

GWSF believes that there will always be a need for some modern forms of specialist accommodation in which housing and specific support provision are closely linked, for example supported accommodation for people who are coming out of homelessness but do not feel ready to live alone. However, the financial risks involved in making such provision mean that it is likely to be the preserve of specialist providers: for a CBHA, making new build provision when the revenue income stream (for the support/care) may not be guaranteed is likely to be deemed much too acute a financial and reputational risk.

We also feel that whilst the particular care or support needs of specific groups – such as those with mental ill health or learning disabilities – are not in question, it is debatable whether these needs are necessarily met through specialist housing, as opposed to mainstream, accessible housing in which care/support is separately provided.

CBHAs will always be open to providing housing for people in specific groups identified by the Council or HSCP, notwithstanding the obvious, competing pressures on lets from homelessness targets, refugee needs and other groups.

Preventing and reducing homelessness

Obviously our key relationship on homelessness is with the HSCP, supported very significantly by the Housing Association Liaison Manager post employed by GWSF and funded by GCC/Scottish Government. Through this post and various working groups we continue to work closely with the HSCP to monitor and improve the way in which homeless households are housed by associations, either through the more traditional Section 5 referral route or a void-led matching process where a specific property is offered to the Homelessness Service by an association.

At the time of writing (end of March 2023) we have noted that the HSCP has taken steps to significantly reduce the number of posts which formed part of the original Housing Access Team created to bolster the amount and nature of housing-specific experience and expertise to complement the social work-led Homelessness Service. GWSF played an instrumental role in calling for the HAT to be established, and around 15 GWSF member associations agreed to fund one of the posts for a 12-

month period before the Scottish Government agreed to cover the cost. Inevitably we have some concerns over the lost posts. We consider it a 'given', however, that the Housing Association Liaison Manager post will remain instrumental for some years to come, as it is a critical 'bridge' between the City's 60 or so housing associations and the Homelessness Service.

Homelessness prevention is becoming more and more important, because without its impact, the supply of available social housing just would not be able to cope with demand. Associations have always contributed to prevention, primarily through tenancy sustainment work with their own tenants, and we see the forthcoming, new homelessness prevention duties as reaffirming the role already played by association. Tenancy sustainment support has recently been the subject of a [Forum research report](#), and we look forward to discussions with the HSCP on how housing staff can best access statutory health and social care services when vulnerable tenants need them.

4 Conclusion

GWSF and its member associations look forward to continued liaison with officials and elected members of GCC on the wide range of issues covered in the draft LHS. We very much value the close and successful partnership working which characterises the Council's relationship with community based housing associations across the City.