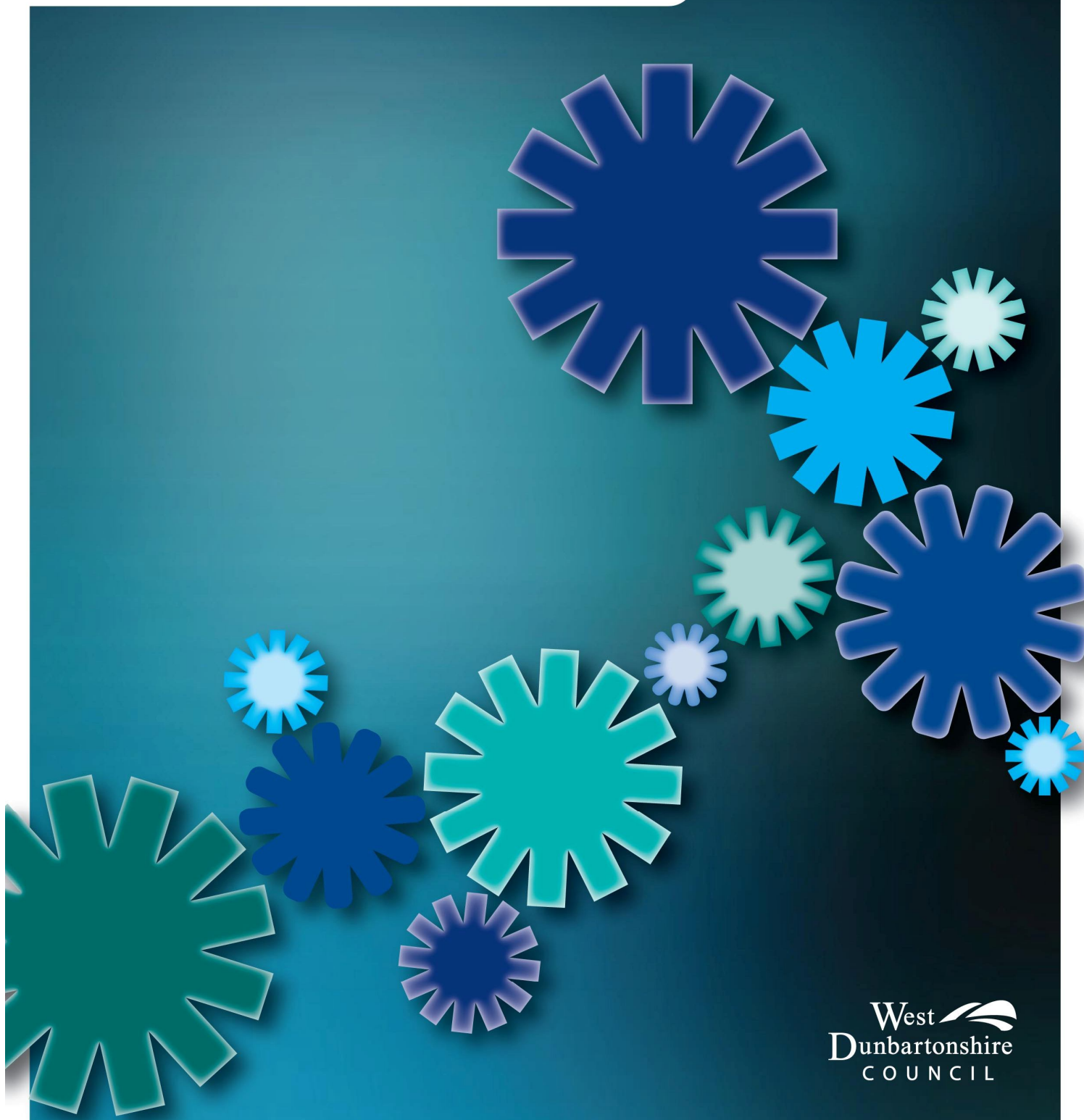


## Housing (Scotland) Bill 2013

February 2014



## Introduction

Welcome to the first in a series of regular briefings prepared by the Housing Strategy team on the big issues concerning housing in 2014.

These briefings will be shared with staff, tenants and elected members and keep everyone up to date with regards the ever changing policy context that we are operating within.

The Housing Strategy section is responsible for:-

- Supporting the development of a culture of continuous improvement in Housing services and to facilitate opportunities to excel;
- Developing and implementing effective strategies for Housing and Community Safety Services within West Dunbartonshire;
- Developing the Council's housing strategy to ensure that it supports the delivery of our strategic priorities;
- Performance management within Housing and Community Safety services; and
- Promoting effective management and the involvement of tenants across all aspects of Housing Services.
- Providing the Strategic Housing Authority Role within West Dunbartonshire and delivering the Affordable Housing Supply Programme throughout the area.

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# Briefing Note

## Housing (Scotland) Bill 2013

### Background:

The Housing (Scotland) Bill 2013 was introduced to the Scottish Parliament on 21 November 2013. In essence the Bill takes forward policy proposals identified in “Homes Fit for the 21st Century”, the Government’s strategy and 10 year action plan for housing (published in February 2011) and takes on board responses to a number of recent Scottish Government consultations on housing policy matters.

This briefing presents a summary of the main proposals within the Bill. It should also be noted that the Bill is still subject to a number of parliamentary stages, during which time there may be some amendments made to the proposals as set out. The Scottish Government hopes the Bill will become an Act in late summer 2014.

### Key Points:

#### Policy objectives

The policy objectives of the Bill are outlined below:

- to provide additional protection for tenants in the private rented sector and permanent residents of mobile home sites;
- to support improvements in the housing quality in the private rented and privately owned sectors;
- to make better use of existing stock of social rented homes; and
- to provide more efficient access to justice for landlords and tenants in the private rented sector.

The Bill is still subject to a number of parliamentary stages during which time amendments to the Bill may be made. The Scottish Government hope the parliamentary process will be finished and the Bill enacted by late summer 2014.

### Summary of the Housing (Scotland) Bill 2013

The Bill is structured into the following parts:

- Part 1 The Right to Buy
- Part 2 Social Housing
- Part 3 Private Rented Housing
- Part 4 Letting Agents
- Part 5 Mobile Home Sites with Permanent Residents
- Part 6 Private Housing Conditions
- Part 7 Miscellaneous

The main points within each part of the Bill are summarised below.

## **Part 1 The Right to Buy**

The Bill abolishes the Right to Buy for all tenants who have a Scottish Secure Tenancy with a relevant social landlord. Tenants with an existing right to buy will have three years following royal assent of the Bill (due summer 2014), to purchase their house. The report to the Housing, Environment and Economic Development Committee on 6<sup>th</sup> November "Proposed Abolition of the Right to Buy in Scotland - Designation of Pressured Area Status" presented more detailed information on the abolition of the Right to Buy, along with some of the potential impacts on the Council.

## **Part 2 Social Housing**

This part concerns the allocation of housing, the use of short Scottish secure tenancies (SSSTs) and tenants' rights to assign, sub-let or request a joint tenancy.

The aim of the provisions within this part of the Bill are to; increase the flexibility that landlords have when allocating houses; allow landlords to make best use of housing; give landlords more tools to tackle anti-social behaviour and provide further protection to tenants, particularly those with a short Scottish secure tenancies.

In summary this part of the Bill:

- Amends the existing categories of persons to whom social landlords must give preference when allocating social housing. Reasonable preference will need to be given to homeless persons and those threatened with homelessness who have unmet housing needs, those who are living in unsatisfactory housing conditions and have unmet housing needs and tenants of houses held by the social landlord which the landlord consider to be underoccupied.
- Allows social landlords to take account of the age of applicant in the allocation of housing and also whether they already own a property.
- Allows social landlords to suspend an applicant from an offer of housing for a period of time in certain circumstances (such as refusal of a number of offers, rent arrears and a history of anti-social behaviour of the applicant or anyone residing with the applicant). A new right of appeal for applicants against these decisions is introduced.
- Introduces minimum qualifying periods of 12 months before a tenant/person can exercise their rights in relation to requesting a joint tenancy, succession, assignation or subletting their tenancy. It also strengthens the grounds social landlords have for refusal of an assignation.
- Extends the circumstances in which a SSST can be used, to include if the tenant or new tenant or anyone living with or visiting them has acted in an anti-social manner within the preceding three years.
- Gives greater protection to tenants of SSSTs by extending the minimum term of tenancies which are intended to convert to a Scottish Secure Tenancy from 6 to 12 months; gives tenants a right to request a review of a decision to seek eviction action and requires landlords to give tenants reasons why eviction action is being taken.
- Makes eviction cases for anti-social behaviour simpler for tenants who have been convicted by another court of using the house for immoral illegal purposes or an offence punishable by imprisonment, committed in or in the locality of the house.

### **Part 3 Private Rented Housing**

Measures within the Bill aim to provide a more efficient and accessible route to justice for both the landlord and private rented tenant within the sector.

The Bill creates a “First-tier Tribunal” that will take over jurisdiction of private rented sector cases currently heard by the Sheriff Court. This includes both repossession cases and non-repossession cases such as disputes over tenancy deposits.

Currently where a private rented property does not meet the “Repairing Standard”, a private rented tenant can take a case to the Private Rented Housing Panel (PRHP). The Bill gives local authorities a discretionary power to allow them to take cases to the PRHP on behalf of private rented tenants.

The Bill also introduces a 12 month time limit for local authorities to consider applications for landlord registration. If applications are not dealt within that timescale, they will be deemed to have been approved.

### **Part 4 Letting Agents**

This part of the Bill aims to improve letting agents’ level of service by strengthening the regulation of the industry. It allows for a mandatory registration system that will be established and maintained by the Scottish Government. The Bill also gives powers to Scottish Minister to create a letting agent code of practice. Once this is established, if a letting agent fails to comply with the code of practice a tenant or landlord may apply to the new first –tier tribunal who can issue a letting agent enforcement order that will set out the steps the agent must take to rectify the failure.

### **Part 5 Mobile Home Sites with Permanent Residents**

This aims to improve and strengthen the licensing regime that applies to mobile home sites that have permanent residents. It establishes a “fit and proper” person test on both the site owner and managing agent. It brings in expiry dates for licenses and allows local authorities to charge for a site license. The Bill introduces a range of enforcement powers to ensure that mobile home sites are well managed.

### **Part 6 Private Housing Conditions**

This amends existing local authority powers to enforce repairs and maintenance in private homes. It clarifies the existing powers that local authorities have to pay missing shares on behalf of owners in tenement blocks who are unwilling or unable to pay their share of repair works and enables local authorities to use repayment charges to recover this cost. Minor changes are made to maintenance orders and plans and an additional ground on which a local authority can issue a Work Notice is introduced – that is where there is work needed to improve the safety and security of any house.

### **Part 7 Miscellaneous**

This part makes a number of miscellaneous amendments in respect of; the right to redeem a security after 20 years in certain circumstances (the Scottish Government will use this provision in relation to schemes that are linked to the market value of housing such as the Low cost Initiative for First- time Buyers and Help to Buy); provides for the president of the PRHP to delegate certain functions; amends the Scottish Housing Regulator’s (SHR) powers to transfer assets following inquiries and repeals defective designation provisions in the Housing (Scotland) Act 1987



## **Resource Issues**

The additional legislative requirements introduced by the Housing Bill could have a potential resource issues in terms of West Dunbartonshire's Housing Services. Although the Financial Memorandum attached with the Bill "does not give rise to any substantial costs" for the Scottish Administration, local authorities and other bodies and individuals. It identifies the most the largest cost as arising from the provisions related to short Scottish secure tenancies where there has been a history of antisocial behaviour. The costs are estimated to amount to £760,000 per annum across all local authorities.

In addition, there remains the possibility that there will be future costs associated with the Bill, through subordinate legislation.

Finally, the abolition of the Right to Buy in Scotland would result in a loss of capital receipt relating to Council house sales. However, rental income from properties that would have been lost through the Right to Buy will be protected ensuring that these properties generate for the HRA in the future.

## **What it means for WDC**

The Bill takes forward policy proposals identified in "Homes Fit for the 21st Century", the Government's strategy and 10 year action plan for housing (published in February 2011) and reflects our response to a number of recent Scottish Government consultations on housing policy matters such as allocations, dispute resolution in the private rented sector, and the Right to Buy.

The introduction of the Bill has been widely supported by the Council and its customers and when enacted will enable the Council to take into account a wider range of anti-social behaviour in the allocation of houses. This may help reduce anti-social behaviour. It also will enable the Council to be more flexible in its allocation policy which may help it be more responsive to local needs.

There will be potential for a significant increase in applications from current tenants wishing to exercise their Right to Buy as the Act is enacted and changes will be required to the issuing of a short Scottish secure tenancy and to dealing with succession rights. Developments around these areas have already commenced and will be reported to members through the appropriate service committee.

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