

## **Firm Foundations: The Future of Housing in Scotland**

### ***Ownership Options' response***

#### **ABOUT OWNERSHIP OPTIONS**

Ownership Options is a national Scottish charity that aims to resolve the housing problems faced by disabled people, particularly in the private sector. The majority of the members of our Board of Trustees are disabled or are representatives of organisations of disabled people.

Since our expertise relates to disabled people, the majority of our response relates to their issues. We have not answered questions about which we either have no knowledge or no view.

#### **GENERAL COMMENTS**

Like many other disability organisations in Scotland, we were dismayed to see the almost complete exclusion of the housing problems facing disabled people from this document. The Disability Rights Commission's report<sup>1</sup> into the previous administration's policy on housing noted a severe lack of thought about disabled people's issues. It was therefore surprising to see even less acknowledgement in this document.

We find this omission hard to equate with the legal requirements on the Scottish Government that arise from the Disability Equality Duty. Government research and statistics clearly show disabled people do not have equality of access to suitable, secure and affordable housing. Action is therefore required by the Government, in line with the Duty, to ensure that disabled people have equal access to housing.

#### **THE CONSULTATION QUESTIONS**

**Question 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?**

We agree that an increase in the housing supply is required. We also believe that there should be both procurement and planning requirements that would result in a proportion of these properties being significantly more accessible to disabled people than current Building Regulations require.

The Scottish Government's analysis of the Scottish House Condition Survey in 2004<sup>2</sup> found that the following accessible housing had been built:

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<sup>1</sup> ODS (2007) *Scotland's Approach to Housing Policy and Strategy in Relation to Disability and Race - Review at National & Local Level*, Disability Rights Commission

<sup>2</sup> DTZ Pinda (2004) *Mind the Gap: An economic evaluation of owner occupation for disabled people*, Communities Scotland

- **26,000** ambulant disabled properties compared to **199,402** households using a stick or walking framework = **13% of need met**. An additional 173,400 properties needed.
- **7,000** full wheelchair properties compared to **36,221** wheelchair users = **19% of need met**. An additional 29,221 properties needed

It is clear that there remains a significant shortfall in the supply of suitable housing for disabled people. The research found that this equated to over 200,000 more accessible homes being required.

It is often proclaimed that social housing will meet the needs of disabled people. Unfortunately, despite disabled people being twice as likely to live in social housing as non-disabled people, on average over the last 5 years only 170 wheelchair accessible properties have been built each year in this sector<sup>3</sup>.

**Question 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?**

We firmly agree that such co-operation should both happen. We believe that this approach, pursued by Edinburgh, the Lothian Councils, Borders and Fife, is appropriate where people are likely to work in one area under extensive market pressure and work live in another. It would seem appropriate that this is one element that is taken into account in the monitoring of each local authority's Strategic Housing Investment Plan (SHIP) and Local Housing Strategy.

**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?**

Given the failure, identified in our response to Q1, of local authorities to meet the needs of disabled people in relation to housing, it would appear that such a specialist national function is indeed required. Government research<sup>4</sup> has found that 9% of local authorities failed to mention physically disabled people in their local housing strategies, ¾ failed to consult with them and 1 in 5 failed to plan any action to meet their needs. The findings were even worse in terms of people with learning difficulties.

It would seem beneficial to merge such functions with those of the soon to be abolished Communities Scotland which currently supports only Registered Social Landlords. Amongst other roles, this should provide assistance to local authorities, and social landlords, in meeting their requirements under legislation such as the Disability Discrimination Act and Government housing policy.

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<sup>3</sup> Answer to Scottish Parliamentary question S3W-7684 by Stewart Maxwell MSP

<sup>4</sup> ODS (2007) *Local Housing Strategies and equalities*, Communities Scotland

### **Question 6: How should different types of assistance within LIFT be targeted?**

More LIFT resources should be directly targeted at disabled people. There remains a fundamental inequality when people who simply *aspire* to buy a home, and who are suitably housed, are given funding to help them buy a home whilst funding is not available for disabled people who require alternative housing more suited to their needs.

Government statistics show that disabled people are half as likely to be buying a home with a mortgage as non-disabled people. Whilst we have worked with Communities Scotland to promote the use of Homestake to house disabled people, the response of the social rented sector has not been as positive as we may have wished for. There is still a reluctance in this sector to build more accessible homes or to consider targeting disabled people in their marketing efforts.

Even when RSLs involved in the Homestake scheme have been more positive, uptake by disabled people has been poor. This was evidenced in the review of the Open Market Scheme pilot<sup>5</sup> in Edinburgh and the Lothians. These problems mainly relate to a lack of knowledge of the scheme by disabled people, caused by a failure to directly and actively target disabled people for the scheme both locally and nationally.

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

There is a significant, untapped, mortgage market relating to disabled people. Many disabled people rely on benefit income, and a number of these people will never be able to work. Unusually, in such cases, benefit income can increase to cover the costs of a mortgage taken out to buy a house more suited to the disabled persons needs. Unfortunately, whilst this income is sustainable and has been proven to facilitate excellent housing solutions, mortgage lenders are reluctant to accept it.

We believe support from the Scottish Government in the disability sector's negotiations with mortgage lenders and the Westminster Government could result in significant increase in the sums of money being made available by mortgage lenders to disabled people.

### **Question 8: Should the Government provide direct cash grants to first-time buyers?**

No. Our work has shown that small grants are insignificant in the house buying process. A first-time buyer should have saved sufficient to meet any buying costs that cannot be wrapped up into a mortgage before they even consider buying.

This money could, and should, be spent investing in more accessible social housing and low cost housing initiatives focused on disabled people.

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<sup>5</sup> Heriot Watt University (2007) *Initial evaluation of the Homestake Open Market Pilot*, Communities Scotland

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

In our discussions with the private house-building sector it has been clear that they would like to decrease the cost of building in order to lower the cost of starter homes. Unfortunately, one way they would like to do this by downgrading the aspects of the Building Regulations that improve the accessibility of new properties for disabled people. With such a massive shortfall in housing suitable for disabled people we do not believe that this can be considered.

**Question 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?**

Disabled people are currently less than half as likely to be renting privately as non-disabled people. This is not surprising, given the lack of accessible properties to let in the private sector, the negative attitude displayed by many landlords, and the failure to meet the additional costs faced by disabled people through Housing Benefit.

Before the private rented sector can be promoted as a solution for disabled people, private landlords need to be encouraged to buy or build more accessible homes for rent and the benefits some disabled people receive must be able to meet the rents charged.

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

We would strongly advocate for improving both the targeting of, and the budget for, Special Needs Capital Grant for private landlords. This would ensure they were not placed at a market disadvantage if they build or buy housing for rent that is suited to disabled people.

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

Landlords would be more likely to rent to disabled tenants if the rents they needed to charge to cover the enhanced size and quality of housing needed by many disabled tenants were covered by Housing Benefit. At the moment they are often not.

The latter is a particular concern, given the introduction of Local Housing Allowance (LHA) in April 2008. LHA does not allow for the need for an extra bedroom faced by many disabled people. Instead, the disabled person will only be paid LHA for the number of rooms they would have required if they were not disabled.

Those disabled people who require an extra room for a carer to stay over, or for vital equipment, therefore face poverty and homelessness.

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

Yes. This also serves to eliminate the question (for new build social housing at least) of whether excluding disabled people from the Right To Buy simply because the property they live in is suitable for them is legally justifiable under the Disability Discrimination Act.

**Question 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. Given the corporate nature of many RSLs, and the failure of many to provide for disabled people, we can see no obvious justification for a continued bias in favour of RSL social housing providers in relation to development funding.

**Question 18: Do you agree that we should introduce large-scale competitions for subsidy?**

Yes, but subject to strict outcome agreements in relation to providing for the needs of disabled people. Currently it is the smaller RSLs that tend to provide the best developments for disabled people. With such RSLs less likely to win the tender competitions it is vital that provision is made for disabled people in long-term development plans.

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

a) Yes. This would be less of an all or nothing solution currently provided by the pressured area status method.

b) Possibly – but not if this restricted the Right To Buy on more accessible property as it would appear that this is in breach of the Disability Discrimination Act.

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