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HOUSING CO-OPERATIVES IN GLASGOW

The Community Ownership Programme

by

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Submitted as part of the requirement for the
Degree of Master of Philosophy

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SYNOPSIS

Public sector housing is important. Its particular importance in Glasgow derives from the fact that over 57% of households in the City are Local Authority tenants.

This thesis examines a new project being set up by Glasgow District Council in three high stress areas of its housing stock. The project, called the Community Ownership Programme, is the first of its kind in Scotland. It involves the formation of par-value housing co-operatives by the tenants, who will purchase their houses collectively from the Council and subsequently manage them along co-operative lines.

The study begins with a brief chapter establishing the general context of the public sector in Britain, touching briefly on housing policies at a national level. Against this background, Chapter 2 examines the problems of difficult-to-let estates, their characterising factors and some fundamental causes. It then goes on to discuss some significant reports in this field and the remedial action they suggest. Finally some conclusions are drawn about future policies.

Chapter 3 brings this discussion down to the local context. The two-fold nature of Glasgow's housing problem is described, setting the scene for the next chapter. Against this framework, Chapter 4 examines the influences actually brought to bear in shaping the Community Ownership Programme, focussing particularly on the way in which the District Council have drawn on the resources and experience available to develop a new model to improve public sector housing.

In Chapter 5, this model is discussed in detail. Par-value co-operatives are described, as are the three main factors involved - the tenants, the dwellings and finance. Finally the legal and financial

procedures of establishing a co-operative are examined.

Three detailed case studies are then presented in Chapter 6. In each of these, a preliminary sketch is given of the background, followed by a narrative account of the development of the co-operative and the proposed improvements. In Chapter 7 an attempt is made to tackle the difficult question of evaluation.

Chapter 8 brings together and reviews some of the findings of the case studies in relation to the future development of the co-operatives. The analysis focusses particularly on two variables which are critical to the expansion of the project, namely community action capacity and continued political feasibility. This is followed by some concluding remarks.

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LIST OF ABBREVIATIONS

AMC	Area Management Committee
CBHA	Community Based Housing Association
CDP	Community Development Project
COP	Community Ownership Programme
DC	District Council
DoE	Department of the Environment
DTL	Difficult to Let
GEAR	Glasgow Eastern Area Revewal
GDC	Glasgow District Council
HAA	Housing Action Area
HAG	Housing Association Grant
HDD	Housing Development Directorate
HRA	Housing Revenue Account
LA	Local Authority
MIRAS	Mortgage Interest Relief at Source
NALGO	National Association of Local Government Officers
Non-HRA	Non-Housing Revenue Account
PEP	Priority Estates Project
RDG	Revenue Deficit Grant
RSG	Rate Support Grant
SDA	Scottish Development Agency
SDD	Scottish Development Department
SFHA	Scottish Federation of Housing Associations
SLASH	Scottish Local Authorities Special Housing Group
SRC	Strathclyde Regional Council
SSHA	Scottish Special Housing Association
TPAS	Tenant Participation Advisory Service
URU	Urban Research Unit

CHAPTER ONE
AN INTRODUCTION

PREFACE

This chapter briefly reviews the development of housing policy at a national level since the Second World War. It outlines the growth of owner-occupation and the decline of the private rented sector in order to establish the general context of the development of public sector housing. This is essential to later analysis.

There is insufficient space here to do justice to these complex issues and they have been discussed at length elsewhere. The purpose of this chapter is merely to set the scene for the rest of the thesis.

THE GROWTH OF OWNER-OCCUPATION

One of the most important changes in the post-war British housing scene has been the rise of owner-occupation. In 1945, only 26% of households were owner-occupiers, but by 1978 this figure had increased to over 53% and is now estimated to be over 60%. Thus owner-occupation is now the single largest tenure category.

A number of reasons lie behind this change and we shall examine each of these briefly.

A variety of fiscal policies have evolved to make owner-occupation an attractive proposition. Tax relief on interest payments was first formalised in 1951 and is now a major subsidy to house purchasers, amounting to £1,960m in 1980-81 and estimated at £2,750m in 1983-84 (Murie, 1984). In addition, sales of residences are exempt from capital gains tax. Before 1963, under Schedule A income tax, owner-occupiers were taxed on the imputed income from property, but this has since been abolished and owner-occupiers receive an imputed rental income. Thus the financial advantages of owner-occupation are both large and clear.

As Short (1982) points out, the reasons why the State has encouraged owner-occupation are many. Since the mid-1960s both major parties have been committed to expanding owner-occupation. The owner-occupiers, now a majority, constitute a powerful political force for any government, or prospective government to reckon with. A whole series of government documents have pointed to the "naturalness" of home ownership. While there may be a universal desire to improve one's housing conditions, experience in countries such as Sweden, West Germany and Holland shows that owner-occupation is not the only route.

This expansion of owner-occupation has also been encouraged by the

policies and practice of council house sales. These were first introduced in the post-war period by the Conservative Government in 1952 and were enforced by the 1980 Housing Act (in England and Wales) and the Tenants Rights Etc. (Scotland) Act 1980 which give local authority tenants the right to buy their accommodation.

Since 1979 over 600,000 council houses have been sold - more than many experts anticipated. There has been a strong regional variation in the pattern of sales - both regionally and locally the areas with the highest rates of owner-occupation have been where sales are concentrated. The houses sold have been some of the best council stock on the better quality estates. Very few sales have been in difficult-to-let areas. In the long term, this will lead to a smaller, poor quality sector with less choice for those who remain as council tenants.

THE DECLINE OF PRIVATE RENTING

Over the course of this century the story of housing has been dominated by the decline of the private rented sector. Before the First World War almost nine out of every ten households rented accommodation from a private landlord. By the Second World War almost seven out of every ten were private renters. The pace of decline quickened in the post-war years and by 1978 less than two out of every ten households were in private renting. Thus it has changed from being the main tenure category to a minority.

This decline reflects the response by landlords to changes in the relative rates of return provided by alternative forms of investment. Before 1914, rented accommodation was one of the most profitable investments but by 1970 in contrast, landlords could only obtain an estimated 6% on their investment compared with higher rates of return from

building societies and other financial institutions. These relatively low returns on investment in private rented accommodation have been exacerbated by rent controls and methods of taxation.

The response of the landlord has been twofold. The main one has been to sell off properties. Between 1938 and 1975 landlords sold 2.6 million dwellings to owner-occupiers, almost a third of a million to local authorities and up to half a million were converted to another use (Short 1982, p.175). A second response has been to reduce maintenance and improvement expenditure, leading to a further deterioration in the quality of the private-rental housing stock.

This pattern of disinvestment and lack of improvement, together with the absence of new building has combined to produce a broad picture of an ageing housing stock of much poorer quality than either owner-occupied or local authority housing. In general, private rented dwellings provide the poorest form of accommodation on the British housing market.

LOCAL AUTHORITY HOUSING

The general story of LA housing in post-war Britain has been one of a period of initial expansion followed by a period of downgrading. In this section we will examine the way in which council housing has evolved since the Second World War.

The 1945 General Election was won by the Labour Party on a manifesto which emphasised the importance of housing policy - 41% of the electorate sampled felt that housing was the most important issue. The housing situation was extremely grim. The war had brought with it vast destruction, a severe fall in building output and an increase in the population, all of which was compounded by the existence of a pre-war backlog. 750,000 new dwellings were needed to provide a separate dwelling "for every family

desiring one". Thus the state sector was chosen as the main instrument of policy, to direct housing to those in greatest need.

In 1946, LAs were given the ability to purchase land for council house building and the government subsidy for each house was increased. Council house completions increased from a negligible amount in 1945 to over 160,000 in 1948, and the proportion of households in the sector increased from 12% in 1945 to 18% in 1951. The quality of this housing was good because it was built to the relatively high standards laid down by the Dudley Report.

By 1952 the subsidy had again been raised and completions were running at over 200,000 per year. This phase of expansion ran from 1951 until 1953 when there was a period of policy reformation, typified by the 1953 White Paper Houses: The Next Step. New housebuilding for general needs was, in large measure, to be the preserve of the private sector, while total LA output was to be controlled so that it made up the shortfall of private enterprise activity below the stated target of 300,000.

During the 1950s there was an emphasis on large scale housing renewal by means of clearance. Redevelopment densities were high, resulting in an increased proportion of flats. The only sector of general needs for which the housing authorities were encouraged to build was the elderly, and by the end of 1956 no subsidies at all were available for any other general needs construction. This strategy was implemented throughout the period from 1956 to 1961.

By the 1960s the quality of new council housing was low. As funds were turned off, the LAs responded by reducing space standards. Subsidies to high rise blocks led to almost 40% of new building being flats of five storeys or more during 1961-64. High rise was thought to be cheaper,

quicker and labour saving: in fact it turned out to be unpopular, socially undesirable, more expensive and even dangerous.

The 1961 and 1964 Housing Acts attempted to stimulate the formation of the old-style housing associations. These were intended to provide unsubsidised accommodation for those who could not or did not wish to become owner-occupiers. The corollary was that council housing should be restricted to those sections of the population forced by financial circumstances to rely on it. 'Realistic rents' were introduced to drive the affluent worker from the council sector into the private market.

When Labour came to power in 1964 they carried on with the building programme and their policy of spreading the benefits of owner-occupation to as many groups as possible: the expansion of council building was only seen as a short term necessity. By 1968 the Government was beginning to retreat from redevelopment and turning to rehabilitation. Slum clearance peaked in 1971 with 87,000 units demolished and by 1976 the number had been cut to 51,000 (Merrett, 1979, p.261). This was accompanied by a huge fall in the number of LA starts: they declined at an average annual compound rate of 12% in the six years after 1967.

From 1970 onwards there appears to have been a convergence in thinking between the major political parties concerning the broad outlines of their housing aims although they have, of course, differed in the specifics of the policies. For both parties owner-occupation is seen as a positive thing, something to be extended and encouraged. The public sector, on the other hand has been seen as a peripheral tenure category, important only for housing those who cannot afford to buy their way into the private market.

Some writers would argue that public housing is now in crisis and is

about to enter a period of sustained decline (English, 1982). They would cite a number of significant changes in policy, such as the reduction in the actual size of the public sector stock, caused by council house sales, a minimal rate of new building, a decline in the quality of new and existing dwellings and a reduction in the subsidy for public housing but not owner-occupation. Such a combination of developments has not occurred in the past and is seen to mark a new, residualised role for the public sector.

Unfortunately there is not space here to examine these arguments in detail. We will restrict ourselves to a brief discussion of how these developments have affected the public sector in the Glasgow context.

There does appear to be a declining rate of new building. Figures for Glasgow District are unavailable, but in Strathclyde Region as a whole, new starts have declined from 5,000 in 1976 to just over 1,900 in 1979. In 1984 only 320 new houses were started and these were mostly for special needs groups such as sheltered units for the elderly.

However, the right to buy legislation has had little effect on the overall numbers of dwellings in Glasgow - only 3,548 houses have been sold since April 1979, 2.04% of the original stock. More details of this are given in Chapter 4.

It therefore seems difficult to argue that the public sector in Glasgow is becoming residualised at least in terms of absolute numbers: it is still, at 57.1% of housing stock, the majority tenure in the city.

The aspects of this line of argument that could be applied to the Glasgow situation are the declining quality of existing stock and the decline in subsidy. These two problems have reinforced each other to create the so-called crisis in LA housing in the City. This situation will

be described in detail in Chapter 3.

CONCLUSION

The purpose of this chapter has been to outline briefly the way in which the different tenures have developed since the Second World War. We have particularly focussed on the claims that public sector housing is now in crisis and have mentioned how the arguments involved might apply to the Glasgow situation. We will go on to develop some of these points more fully in subsequent chapters.

CHAPTER TWO
DIFFICULT-TO-LET ESTATES

PREFACE

The problems of DTL estates can only be understood in the context of the dominating motivation behind the provision of public housing since the Second World War which was outlined in the last chapter. The preoccupation with slum clearance and redevelopment, and the drive to overcome shortage by faster production has created a number of problems. These are seen most clearly and at their most extreme, but by no means exclusively, on DTL estates.

This chapter discusses DTL estates, their background, characterising factors and some fundamental causes. It then goes on to examine the problems and methods of tackling DTL housing and reviews some of the significant reports in this field: both Scottish and English influences. Finally some examples of remedial action are given and conclusions are drawn about future policies.

The term 'DTL' first made its debut in press reports towards the end of the 1960s following the Ronan Point disaster. It resulted from the unprecedented situation of local authorities having to advertise houses in less popular areas. The term now has much broader application, covering estates which are generally unpopular. However, it can be misleading if interpreted literally - not all such estates have large numbers of unfilled vacancies, but they are unacceptable to applicants at the top of the waiting list, or to those with high priority for transfer. They may be easy to let, but only to households in need of immediate rehousing who cannot afford to wait for a better offer.

The term DTL generally reflects a housing management view of such estates. They would perhaps be better termed 'difficult to live in'.

Several other terms are used to describe DTL estates. These include 'residual' estates, multiply deprived areas, ghetto estates and problem estates.

The term 'residual' or 'sink' estates relates to the upward filtering process that occurs within the local authority housing market.

'Multiple deprivation' is a term that through over use has lost any precise meaning. It is a shorthand term to cover a range of conditions (physical, economic and social) which are regarded as deficient or undesirable. In areas of multiple deprivation several types of deprivation appear to cluster and reinforce each other.

'Ghetto estate' has been used by some CDP teams and carries with it the connotation of involuntary designation and stigma. However, this term can be misleading in one respect; people cannot leave a ghetto, but turnover of tenants is very high in DTL neighbourhoods.

The term 'problem estate' is itself not without difficulty. It suggests a number of possible meanings, such as the estate is a problem to the local authority, the inhabitants of the area have problems or even that they are themselves problems.

CHARACTERISING DTL ESTATES

One of the most common characteristics of DTL estates is a higher than average local rate of tenancy turnover and applications to transfer out. Because such estates are unpopular, they are generally only acceptable to those applicants in urgent need. Thus vacancies are increasingly filled by households with problems - the homeless, single parents, the unemployed etc. 'DTL' is therefore a description of the process whereby certain areas accumulate a concentration of households on low incomes with related social problems. This tendency for those in the greatest need to end up in the least desirable areas has been called 'social polarisation' or stratification.

How does this 'social polarisation' occur? Its basic cause is linked to the changes that have occurred in patterns of supply and demand for public housing.

In most areas there is still a greater choice within the sector, arising from the increase that has taken place over the last 20 years, both in the size of the stock and in the range of housing within it.

Changes in demand have resulted from the shrinkage of the private rented sector (described in the last chapter) and the growing pressures on allocation policies. These include a shift by existing tenants into the better stock and in many areas an urgent demand for housing from such groups as the homeless and single people.

There have always been variations in the popularity of estates, but these have become more obvious where there is greater choice for some groups, as those with greater bargaining power move into the better housing, leaving those in greatest need to take up lettings in the least popular areas.

Until recently many housing authorities graded applicants on such factors as cleanliness, quality of household possessions, etc., with the 'best' tenants being allocated the most desirable housing. Some allocation policies have also used certain estates as repositories for 'problem' families which has increased social polarisation. However, allocation by the ability to wait rather than by any criteria of need appears to have greater influence in the development of DTL estates. As Wilson and Burbidge (1978) comment "no-one will accept a letting unless it represents an improvement on his or her previous housing".

WHY DO CERTAIN ESTATES BECOME DTL?

This process of social polarisation is obviously influenced by the desirability of different areas and house types. What factors affect housing choice and the acceptability of different estates within the local authority market?

Obviously factors intrinsic to certain forms of housing are an important cause of unpopularity. However, in some estates, social factors can be equally important.

THE ROLE OF STIGMA

A major problem for many residents of DTL estates is the social stigma attached to the area. It has been alleged that this can affect their

eligibility for job interviews and credit facilities but of course such discrimination is notoriously difficult to prove.

On some older estates the development of a bad reputation can be traced back to specific historical factors. For example, Damer(1974) in his study of a 1930s rehousing scheme in Govan, Glasgow, shows how the rehousing of slum dwellers from the Gorbals led to the estate becoming stigmatised by the residents of the surrounding area who resented 'outsiders' getting the new houses.

In some more recent estates 'deviancy amplification' has occurred when certain anti-social incidents on an estate have become widely known through the press. In Easterhouse, for example, a poor reputation thus gained was rapidly extended to the wider population.

Gill (1977) makes three important points about the development of bad reputations.

Firstly, they are a product of external definers rather than of the indigenous population. Most 'insiders' accurately perceive any deviant activity to be that of only a small proportion of residents. However, some may believe the reputation is justified and wish to leave.

Secondly, neighbourhood identities, once developed, are unlikely to change. A straightforward external stereotype can be maintained which cannot take account of the continuing diversity and change within a neighbourhood.

Thirdly, the more powerful the barriers between the area and the wider community, the stronger the externally imposed identity will be. These barriers can be physical, such as a railway line or an area of industrial land, or social, such as a different economic position or religion.

Many reports have produced lists of characterising factors similar to the one below. It is not intended to be exhaustive, merely to indicate the range of problems involved. In most estates it is a combination of factors, not one on its own, which leads to decline.

These problems must be seen as characterising factors and not straightforward causes - some mentioned, such as a lack of community spirit, are more often symptoms than causes.

General factors:

- peripheral location - high cost environment
- poor physical environment
- isolation: often separated from other housing by transport routes or industrial zones
- size: large, inhuman scale, high density
- uniformity: single tenure, i.e. public rented
single house type, e.g. large family dwelling
repetitive in appearance.

Problems within dwelling

- condensation or water penetration
- noise penetration
- unpopular design
- outdated fittings
- expensive to heat
- small rooms.

Problems outside dwelling

- impersonal public spaces, poorly maintained and neglected
- lack of play facilities for children
- lack of community facilities, e.g. social, health

- lack of shopping facilities
- lack of car parking space.

Management problems

- insufficient caretaking
- insufficient management, no local presence on estate
- insufficient repair service - long delays.

Social factors. Generally a high level of deprivation, including:

- high proportion of children and large families
- high proportion of single parent families
- high rates of unemployment and families on low incomes
- large social work caseloads
- overcrowding
- fear of crime
- lack of community spirit and social controls
- high level of rent arrears and turnover rates.

Many of these social problems mentioned are a function of the concentration of many groups in need in one area. Many are inter-related and often interact; for example, high rates of vandalism are linked to other problems, such as high vacancy rates, large numbers of children and few leisure facilities. Building large blocks of family-type, five apartment flats creates high child density, while lack of 'defensible space' encourages crime. High crime rates (actual or perceived) lead to high turnover rates, reducing any community spirit and social controls and so on.

It must also be noted that many problems, such as high levels of poverty and unemployment, are structural, and there is little that any local authority can do to make a great impact on such problems.

However, many of the social and physical problems which characterise DTL housing can be traced to such factors as the mass housing policies and the role of housing management, particularly allocation policies. The contribution of some of these factors to the development of DTL estates is briefly reviewed in the following section.

MASS HOUSING

Many of the physical problems of DTL estates can be traced to the motivation behind the provision of public housing since the Second World War. The preoccupation with slum clearance led to poor quality housing, and the drive to overcome shortage by faster production led to high densities and unsuitable designs.

Many metropolitan authorities, including Glasgow, resorted to high density 'overspill' estates on greenfield sites. Industrialised building systems were promoted as faster, cheaper and as a means to overcome labour shortages. However, the results have been large-scale developments, inhuman in size, repetitive in appearance and inadequately provided with facilities.

In addition, many system-built schemes have a number of design problems, such as water penetration, unpopular layouts and forms of access. It is clear that some systems were adopted before being sufficiently tried and tested, or were crudely adapted from other climates and cultures.

HOUSING MANAGEMENT AND MAINTENANCE

Many authors have commented on the lack of influence of housing departments on new housing provision in some areas. The level of resources

channelled into development at the height of the new build programme was not usually channelled into housing management. The results of this were over-stretched management and inadequate maintenance. Despite the fact that these problems were outlined in the late 1970s, central government cutbacks of local authority funding have merely exacerbated the problem.

In many areas maintenance sections are still operating little more than an emergency repair service with little or no time or funds for routine general maintenance. Delay over repairs to dwellings is one of the commonest causes of complaint, not only in DTL estates but throughout much of the public sector.

Many of the design forms on DTL estates make heavy demands on maintenance staff. A poor state of repair leads to vandalism, poorly maintained public spaces and a lack of community spirit. The most self-sufficient families leave, and as the reputation of the estate declines, only the more desparate families move in. Thus management increasingly takes on a negative role of chaser of rent arrears and refuser of transfers. Naturally this role leads to mutual hostility and distrust between management and tenants, a 'them and us' situation.

ALLOCATION POLICIES

In many areas insensitive allocation policies have contributed to the development of DTL estates.

Until the 1970s Glasgow Corporation's housing was divided into eight amenity groups, ranked roughly in order of physical attractiveness, public desirability and rent. Potential tenants were assessed by housing visitors on the basis of cleanliness, furniture and 'type of person', and allocated to the type of housing they 'deserved'. Such a policy merely exacerbated the problem by allocating those in greatest need to group eight estates,

which soon became ghettos (Damer and Madigan, 1974).

Similar grading systems existed elsewhere, but most allocation systems are now operated on a points system, which takes more account of need. Although this is desirable, it is not sufficient in many areas where wide differences in quality still exist. The allocation system passively reflects differential demand - applicants are merely exercising choice in a quasi-market situation. The most important element of price is waiting time and the ability to pay depends on existing housing conditions.

In conclusion, it appears that many of the problems of DTL estates can be attributed to a combination of poor design, sometimes poor location, poor co-ordination between local authority departments and poor management and maintenance. However, many causes discussed here are found not only on DTL estates but are common to all public housing, although they may not affect them with the same severity and concentration. Some of these contributory factors stem from broader policies and practices which affect all public sector housing.

TACKLING DTL ESTATES

DTL estates are not a new phenomenon: there have been unpopular estates in many areas for decades. What is new is the growing awareness that the problems found on these estates are not diminishing either in quantity or complexity.

Until the end of the 1970s there was a confidence that through capital spending the public sector stock would be improved. Older stock would be modernised or demolished and replaced with new houses. There was an optimism that through the spending of sufficient capital resources the problems associated with DTL estates would be reduced.

However, the present economic recession and the concomitant cutbacks in central government spending have dispelled such optimistic ideas. New building has virtually ceased and modernisation programmes have been drastically cut back. Several District Councils in Scotland have indicated that on the basis of next year's HRA allocation they will be unable to keep their stock wind and watertight, let alone start any modernisation programmes.

Even if the money were available, there is general agreement that many of the expensive modernisation programmes carried out in the 1970s did not always give value for money. There is also a realisation of the limitations of tackling such schemes in isolation from wider social and economic considerations affecting these areas.

Many writers and reports have concluded from examining both more and less successful strategies that what is required is a combined approach. This involves several key constituents:

- problems must be identified accurately and comprehensively;
- measures selected must be combined to form a strategy, not put forward piecemeal;
- the involvement of tenants at all stages;
- measures must be co-ordinated and followed up;
- the outcome should be monitored, to guide adjustments.

THE COMBINED APPROACH

Identifying Problems

Since there is rarely any single cause for an estate becoming DTL, it follows that a number of solutions will be needed. The nature and causes of problems once discovered should be acted on quickly as the downward spiral, once started, is difficult to halt. It is important that the

various departments involved work together so that problems are accurately defined. Also, tenants, councillors and workers in voluntary agencies should be fully involved.

Selecting Measures

Having defined the problems, the next step is to assemble a package of remedial measures. It is vital that these measures fully reflect priorities of residents and that they be co-ordinated so as to reinforce each other and make maximum impact. A housing officer in a local area office can assist in this by providing regular, reliable information to tenants.

Monitoring, Feedback and Follow-Up

Once measures have been taken it is crucial that momentum is maintained by effective follow-up. For example, capital spent on physical improvements will be wasted unless backed up by adequate management and maintenance. Community development efforts will need encouragement and support from staff. Changes in allocation and transfer policies require to be fully explained to tenants.

Feedback, both formal and informal, from tenants can help identify areas where this follow-up is lacking or insufficient.

Monitoring the effect of measures will involve analysis of data on lettings, transfers, maintenance and feedback from tenants. One of the problems can be that often goals are not clearly set out at the beginning of a project which makes it difficult to evaluate progress.

This combined approach has been emphasised by several key reports over the last decade or so. The following section briefly outlines the main features of some of the more significant reports in order to examine the development of different approaches to tackling DTL estates.

SCOTTISH INFLUENCES

Council House Communities (1971) was one of the earliest reports to point out the poor conditions of some local authority schemes, which have been reduced to a condition not far removed from the slums they were designed to replace. In examining the possible causes for problem estates within post-war housing, the report points to many physical problems, such as the size of schemes, the predominance of three and four storey tenements with poor sound and thermal insulation, poor layout, poorly maintained back greens, inadequate refuse disposal, etc.

This report is also significant in that it reviews the contribution of housing policy to the development of DTL areas, particularly the way in which housing built under different legislation has resulted in different types and quality of housing. It also outlines the important role of allocation policies.

Finally, the report insists that the only way of improving the image of unpopular estates is through a comprehensive approach to social and physical problems. However, many local authorities did not heed this advice and many improvement schemes of the 1970s were characterised by a piecemeal approach to problems.

The Morris Committee Report, published in 1975, devotes a chapter to DTL estates in which it outlines the best way to tackle the problems of such areas. It mentions the importance of improving the 'image' of an area and of positive discrimination in terms of manpower and finance. There is also some emphasis on community participation. It suggests that a programme team prepare a rehabilitation strategy in consultation with the community and that community leadership should be developed.

Following the Morris Report, the SDD set up the Urban Renewal Unit to assist local authorities in tackling urban deprivation. A report published by the URU in 1978 entitled Area-Based Policies Approach to Urban Deprivation set out the policies that should be adopted, based on the feedback and experience gained over the previous ten years. However, it says nothing radically different from previous reports, merely endorsing the comprehensive approach outlined by the Morris Committee and restating the importance of reviewing the problems of a particular area in the knowledge that they are inter-related and that no single solution is likely to be adequate.

Decentralisation of housing management was suggested by SDD Circular No. 25/1981, which recommended the appointment of a local housing manager for each area who would work from a local office and have a substantial measure of responsibility to enable a quick and flexible response to local needs. This suggestion has been taken up by a number of housing authorities, but a major problem has been defining the optimal size of each area. Any such area must be small enough to allow easy access for tenants and to encourage some sense of identification with the community while at the same time allowing economies of scale for the Housing Department.

The Circular is also significant in that it provides alternatives to demolition of unpopular housing, such as use by local authorities for housing or social work offices, community education, police, pre-school playgroups, etc. Other suggestions include a variety of different methods of selling unpopular housing. These include Homesteading, sale to a private developer to improve property for sale, joint ventures between local authorities and private developers to improve for sale and sale to sitting tenants.

This latter sales policy has been opposed by those who argue that it results in the loss of the most popular housing to the private stock, which in the long-term will result in a gradual decline in the standard of housing available to council tenants. There is, however, much less opposition to the idea of disposing of unpopular housing, and some of the suggestions have been seen as acceptable alternatives by local authorities, regardless of their political complexion.

ENGLISH INFLUENCES

The approach to DTL estates in England (promoted by the DoE through the HDD) has taken a slightly different course to that of the URU in Scotland. Rather than seeing DTL housing as a symptom of a much more complex problem, the HDD has approached it as a problem which has specific technical and social solutions.

This approach is typified in a three-part paper entitled An Investigation of Difficult-to-Let Housing which presents the main findings and conclusions from an investigation of 30 DTL estates by a team of architects and sociologists. Again this report says nothing new, merely giving examples of solutions which have been tried, some of which have had limited success.

Some of these proposed solutions have been put in to practice in the Priority Estates Project - a scheme set up by the DoE in 1979 to explore different ways that 'problem' estates might be improved. The main emphasis of the PEP, outlined in several reports, is on two ingredients which are considered vital for the success of any project. These are the tenants' direct involvement in and commitment to the improvement of an estate, and the local authority's willingness to move operations onto the estate to respond to tenants' priorities and to work closely with the residents on

very basic improvements.

It is interesting to note that in many improvement schemes there has been no serious attempt either to involve the tenants in the decision making process or to devolve management to a local level. While it is true that many schemes have made token gestures in this direction, usually tenants are merely consulted before the decisions are made and management decentralisation is confined to low level decision making and staff. This may be due to the fact that both these innovations involve radical changes in the structure of local authorities and can be seen to threaten the power of councillors and the professionalism of officers. It is much easier to deal with physical problems such as condensation or leaking windows. We will return to this theme later at the end of the chapter.

SUMMARY

It is clear from these reports that there is no easy answer to the problem of DTL estates. This is to be expected: the problems of such areas are complex, and usually no single cause can be identified, so it is unlikely that there will be a simple solution.

Nevertheless, there does appear to be broad agreement on the methods of analysing problems and approaching solutions. Most of the relevant reports advocate a combined approach which involves community participation at every stage, and a particular sequence of action. It starts with careful identification of problems, going on to the selection of an appropriate package of measures, and finally ensuring proper monitoring, feedback and follow-up. The overall objective is to reduce polarisation between estates by improving the condition, status and lettability of the worst.

Clearly a substantial amount of work has been carried out on the problems of DTL estates and the need for remedial action. However, these give little guidance as to an appropriate course of action, as studies which have examined effectiveness have been much rarer. This is not surprising considering that such assessments are fraught with difficulty, not least because of the somewhat haphazard way in which many initiatives have been set up.

Consideration of the wealth of literature available leads one to the conclusion that generally speaking many initiatives have not been a pre-planned response to the high level of deprivation in an area but often an ad hoc attempt to come to terms with purely physical problems. They have not always been comprehensive, they have not always assessed the impact of other related factors, they have not always adequately defined their objectives or developed a monitoring framework which would allow evaluation to take place.

This lack of proper evaluation means that the reader is left with a multiplicity of suggestions for action but little guidance as to which have been the more successful in a particular situation. We will return later to this question of evaluation.

Possible Remedial Measures

Most of the remedial measures suggested can be divided into four main categories: changes in management and maintenance, community development, changes in allocation policies and physical remedies. Some examples of developments in each of these areas are given below.

Changes in Management and Maintenance

In many authorities changes such as the abolition of rent collectors

or resident caretakers have led to management becoming even more inaccessible. Many estates are managed from busy district offices in the city centre. More accessible management has been achieved by, for example, lower staff/dwelling ratios, estate based offices, and special arrangements to improve co-ordination between management, maintenance, caretaking and lettings staff. Communication can be greatly improved by having a single, identifiable figure known to the residents.

In general, too little or no thought appears to have been given to maintenance requirements at the design stage of many post-war estates. Delays in repairs are a major cause of tenant dissatisfaction and much of the work done is corrective rather than preventative. Remedial measures suggested and tried have been special repairs teams, priority marking of repairs and planned maintenance schedules. One authority has produced leaflets for tenants on how to report repairs accurately.

Community Development

Many writers point to community involvement as being the key concept for DTL estates. As has already been shown, many of the social problems on estates are symptoms rather than causes, and often result from structural problems of high unemployment and poverty. Nevertheless, real change on an estate requires the active involvement of tenants at all stages.

Many community groups have achieved success despite being faced with massive problems. On a large deck access estate in Liverpool, 'Home Link', a voluntary project for mothers and children under 5, has been effective in involving isolated women in a wide range of activities. In Glasgow, the Easterhouse Festival Society has involved the community in many self-help projects, including an annual arts festival.

Other activities have included the appointment of community

of social meeting places or needed amenities, such as launderettes and play spaces.

Changes in Allocation Policies

Allocation policies and their unintended consequences are responsible for many problems found on DTL estates, especially those with high densities of children and concentrations of families with problems. Often many such families end up in forms of housing which make the greatest demands on their inhabitants. For example, in multi-storeys or deck-access housing where services and access ways are shared by large numbers of households, all forms of noisy or thoughtless behaviour, by children or adults, impinge widely on the lives of others.

Strategies tried fall into two broad groups. The first of these is reducing child densities, either by under-occupying dwellings, or allocating them to all-adult households. Case studies have shown that this strategy can result in reduced levels of vandalism and noise, and is particularly suitable for flatted estates where much family-sized accommodation is off the ground and there are large areas of public space. A second approach is to allow more flexibility in lettings, allocating dwellings to non-family groups such as childless couples, single people and students. In some metropolitan areas this policy has been particularly successful where there is a large potential demand from such groups who, traditionally, are dependent on the private rented sector. In some cases dwellings have been converted into smaller units, or joint tenancies issued.

Physical Remedies

Physical improvements are an important component of the combined

estates, more recent estates which, because of their form or layout have proved unpopular, and estates with serious technical defects.

These generally take the form of modernisation of old stock, environmental improvement like new landscaping, the installation of more robust finishes where these were constantly vandalised, or the alteration of over-public access routes. Often these solutions are adopted because they are 'easy' and a concrete statement that action is being taken. However, such improvements are unlikely to be effective if taken on their own.

As an HDD study showed (Wilson and Burbidge, 1978), physical remedies alone are unlikely to weaken the resolve of dissatisfied tenants to press for a transfer unless the tenants themselves have been consulted and involved in any improvements. The way in which physical modifications are managed and organised is particularly crucial where disruption to tenants is likely to occur, as with internal modernisations. Delayed programmes often result in anxiety and resentment as tenants are left waiting on seeing other parts of the estate completed. The study concluded that there was little point in spending capital on improvements if management and maintenance were not geared-up to provide a better service and so keep the level of resident morale raised. Physical improvements alone appear to be insufficient to arrest or reverse an estate's decline.

SUMMARY

In this chapter we have examined the problems of DTL estates, their characterising factors, possible causes and remedies. We have also looked briefly at some of the more significant reports on these topics. It had been expected that each of these documents would give a divergent account

of the issues at stake, but surprisingly, there appears to be a general consensus over the ways of tackling problems, particularly on the need for a combined approach. However, there appear to be few examples of how this combined approach has worked in practice.

The purpose of this review has been to bring out the problems associated with policies for DTL areas. Despite this broad agreement on the method of tackling problems, two areas of difficulty remain. The first of these problems is financial, the second, political.

A Financial Problem: The Question of Resources

During the 1980s the main question for debate has been who should be responsible for providing resources for the comprehensive approach thought essential for tackling DTL areas. Most LAs feel that more financial assistance is required from central government to carry out improvements, but such assistance has not been forthcoming and is unlikely to be available in the foreseeable future.

Consequently, many housing departments are exploring non-traditional sources of finance, such as banks and building societies. Several LAs have entered into partnership agreements with multiple builders to redevelop DTL areas and some examples of such schemes will be described in Chapter 4. For many LAs, such agreements would have been unacceptable (and probably unnecessary) several years ago, but in the light of recent cutbacks in capital expenditure enforced on them by central government, they seem the only way forward for DTL areas.

A Political Problem: The Question of Power

The second problem is of a political or ideological nature. It

concerns the fact, already mentioned, that the two suggestions considered essential by the Priority Estates Project, namely decentralising management and tenant participation, have been perhaps the least applied. These ideas are by no means exclusive to the PEP; most recent reports have mentioned them in one form or another. So why have so few LAs made any serious attempt to put these ideas into practice?

This reluctance is often attributed to lack of resources. Certainly it is true that management decentralisation is expensive in terms of setting up new offices, employing new staff or retraining existing staff, etc. However, as Anne Power (1982) points out, although the 'corner shop approach' is more expensive than the 'supermarket approach', the hidden costs of the tenants' dissatisfaction and Council negligence are high too.

Perhaps a more fundamental problem is that both decentralisation and tenant participation involve a shift of power. In the case of area management, the power balance is moved from the centre to the area office, and to involve tenants in the decision making threatens the political power of elected members and the professionalism of officers.

Some LAs have made the first steps in this direction and their attempts have been well documented elsewhere. Jackson (1984) examined decentralisation in Glasgow, Newcastle and Hackney and concluded that although there had been some devolution of decision making and planning to area level, particularly within Housing Departments, the balance of power had not really been shifted in favour of the area.

This she attributes to the conflicting roles of the main groups involved in local government; the councillors, the officers and the public.

Councillors are elected to hold certain responsibilities and make decisions affecting an area through committees and full council meetings.

Many councillors would argue that they were elected by local people to provide local services and are therefore legally responsible for local government planning and expenditure. In general, members have been reluctant to devolve power to neighbourhood and area committees. Such decentralisation increases members' area representative roles at the cost of conflicts between central and local loyalties.

There is also the question of members' willingness to share power with non-elected people. The Local Government Act restricts local involvement in Council sub-committees, particularly where financial matters are discussed. Further devolution of LA powers, which would allow the full development of area management functions such as resource allocation and policy formation, has often been blocked by councillors. In Glasgow, only in the Housing Department have any spending powers been devolved.

The opposition of officers is also based to some extent on an unwillingness to devolve powers. Locally based staff have low status and are usually at the lowest end of the salary scale, while flattening the pyramid of management hierarchy reduces the number of promoted posts in the centre and lessens opportunity for promotion for higher level officers. There may also be concerns of professionalism - a reluctance to work in neighbourhood offices with a mix of departments.

Tenant participation is often seen in terms of manipulation or placation. Cockburn's (1977) study of local management in London was based on the assumption that the LA did not want to devolve power to local areas, but wanted to be seen to be doing something locally to placate public demands for improved services and greater tenant involvement. Jackson (1984) mentions that the problem with public involvement has come from the lack of it, in that there have been few outright demands for full participation. However, this does not seem to be the case in Glasgow,

where many community groups, particularly in DTL areas, are keen to be involved in improving their area.

The Community Ownership Programme: A Solution to these Problems?

Community Ownership seems to be the next step in devolving not only management responsibility, but ownership to the tenants. While the tenant management co-operatives have, on the whole, been very successful, there have been questions over how much power should be delegated to the tenants. For example, no tenant management co-operative has as yet tackled rent collection although it is unclear as to whether this is the choice of the tenants or the DC.

However, under the new Community Ownership Programme (COP), tenants of each co-operative will elect a management committee from amongst their members and appoint their own staff. They will have responsibility for all aspects of management, although they may choose to pay an outside body to deal with some or all of these functions. Thus tenants will truly be involved in running their own housing.

Each co-operative will be under 400 houses, bringing management down to the local level. While there may be some diseconomies of scale, these could be overcome by the use of a secondary co-operative, to service a group of housing co-operatives. These issues will be discussed in detail in Chapter Five.

Concerning the problem of finance, the COP draws on non-traditional sources such as banks and building societies. Thus it seems to go at least some way to solving the problems inherent in former approaches to DTL areas, namely shortage of resources, lack of management decentralisation and community involvement.

In the next chapter we will look in detail at Glasgow's housing problem and examine why the COP has been seen as an appropriate response to the problems of some DTL areas.

CHAPTER THREE
GLASGOW'S HOUSING PROBLEM

PREFACE

So far we have examined the general problems of DTL estates and how these are influenced by public housing policies at a national level. In this brief chapter we turn to the housing situation of one particular city, and describe the two aspects of its housing problem. These are first, the quality deterioration of the public sector stock and second, declining resources available to tackle this situation. We will see that in the face of this apparently insoluble problem the District Council has been forced to develop a new model of organisation and finance to improve public housing.

THE GLASGOW CONTEXT

The scale of dereliction, urban deprivation and the past decline in economic activity within Glasgow is massive both in national and in regional terms. The extent of the concentration of deprivation can be measured by the fact that 67% of the worst 1% of Census Enumeration Districts in Scotland are located within Glasgow.

Here are some key facts which outline some of the City's problems.

Unemployment:

Unemployment in the city as a whole is at 20.8%, significantly higher than the estimated comparable Scottish average of 14.4%. Male unemployment, at 27.2% in February 1985 is higher still and in areas such as Dalmarnock and Calton, half the economically active male population is unemployed. In ten areas of the city, over one third of the jobless have been unemployed for over 2 years.

Poverty:

Almost one third of the city's population are at or below supplementary benefit level. Over two-thirds of Council tenants receive housing benefit.

Deprivation:

In the ten years between 1971 and 1981, the distribution of deprivation has altered substantially. Traditional inner city areas of private housing, such as GEAR and Maryhill, which previously were extremely deprived, are now, due to clearance, modernisation and redevelopment of the housing stock, showing relative improvement.

In contrast, the incidence of deprivation has become increasingly concentrated in public sector housing, particularly the four peripheral estates of Easterhouse, Drumchapel, Castlemilk and Pollok. In these

estates one person in three is unemployed and there is a growing concentration of single parent families. In Easterhouse and Drumchapel, between 40% and 49% of the population are children, putting stress on other residents and on the environment, and resulting in high rates of vandalism.

Health:

There is a strong link between inadequate housing and poor health. Dampness and condensation affect over 50% of the city's public sector stock. Deaths in the first year of life are 46.7 per 1,000 in Easterhouse but only 10.0 in Bishopbriggs, just outside the Glasgow boundary. The infant death rate in the peripheral estates is 30% above the national average.

Housing Stock:

The current tenure breakdown is as follows:

TABLE 1 Housing Stock, March 1985

	<u>No.</u>	<u>%</u>
Local Authority	170,561	57.1
SSHA	14,137	4.7
Owner-occupied	86,854	29.1
Private rented/Housing Association	26,933*	9.0
TOTAL	<u>298,485</u>	

*Of this, approximately 12,000 houses are owned by Housing Associations.

Source: GDC Annual Housing Review 1984, Forthcoming.

Housing Demand:

Glasgow's estimated 'crude surplus'[1] has fallen from 17,997 in all tenures in 1981 to 16,464 in 1984. The projected 'crude surplus' and total

voids at 1990 are lower than in 1984, confirming the picture of a tightening in the supply/demand for housing in Glasgow. Moreover, any surplus is illusory, due to normal turnover, repairs, improvement and clearance. Even if the DC let all its void houses, it could rehouse fewer than one third of all applicants on the waiting list. The number of households is increasing in spite of a decrease in population, mainly because of the increased formation of single person households.

Those rehoused in 1983 waited longer than they would have done in 1982, despite an increase in the total number of lets becoming available through termination of tenancy, reduction of voids and new build. Figures available show an increased pressure on the housing stock, due to several factors.

One of the main reasons is the growth of homelessness. Between 1981 and 1983 the percentage of total lets to homeless applicants increased from 12% to 17% and Priority Cases under the Homeless Persons Act increased from 2,763 to 3,107. The largest increase in homelessness is among young single people, many of whom end up in temporary accommodation such as bed and breakfast hotels.

In general, there is a growing demand for a wide range of non-family housing, from single person households, the disabled and the single elderly. Demand for two-apartment houses forms 58% of waiting list demand yet only 23% of total lets. However, there is still sizeable unmet demand for large family houses and overcrowding is a severe problem.

Thus there is a need for a comprehensive range of housing for large and small families, the single, the elderly, the disabled, the mentally

1. The crude surplus is the difference between the number of houses and the number of households before allowing for voids.

handicapped, ex-psychiatric patients and so on. How is GDC placed to meet these housing needs?

Public Sector Housing Condition:

An extended period of under investment and poor planning has resulted in a serious deterioration of Glasgow's public sector stock. The full extent will not be known until the results of the Council's House Condition Survey are available in Autumn 1985.

However, it is known that the following improvements and repairs are required:

- 24,915 inter-war houses require extensive improvements to replace out-dated fittings;
- 35,797 post-war houses require comprehensive improvement;
- an additional 41,669 houses urgently require rewiring;
- 1,645 early post-war (1945-1955) non-traditionally built houses require extensive modernisation;
- 24,592 post 1955 non-traditional houses require major repairs;
- all multi-storey flats over 20 years of age will soon require the replacement of lifts, water pumps and ventilation shafts.

Other problems include the replacement of flat roofs, asbestos problems, poor sound proofing of post-war tenemental stock and so on. In addition, over 50% of current stock is affected by damp and 148 schemes have been designated 'hard-to-heat' and require improved insulation and heating systems.

In addition the City has its areas of DTL housing, particularly in the four peripheral schemes, which display all the complex problems of such areas described in the last chapter.

The Private Sector:

Glasgow's private sector housing, which is under 30% of the total housing stock, is not without its problems. The worst housing conditions are concentrated in the tenemental properties of the inner city, where 14,677 houses fail to meet the tolerable standard.

The community based housing associations have made a vital contribution to renewal through rehabilitation in Housing Action Areas. During 1984, they completed their 10,000th house but they still have another 10,000 to go.

Over the past two years, housing authorities throughout Britain have been encouraged to spend large amounts of capital in repair and improvement to older private housing. In 1983-84 GDC paid a total of £31.1m in 21,909 improvement and repair grants, while work done under Section 44 Agency agreements amounted to £24.4m. This money appears to have been well spent. A study conducted by the University of Glasgow Centre for Housing Research (MacLennan, 1984) showed that it has created around 6,500 jobs and that 75% of grant value went to applicants earning below £10,000 pa.

Summary:

The purpose of this long list of facts and figures has been to show the extent of Glasgow's housing problem. The DC has approximately 170,000 houses, many of which are suffering from serious disrepair, dampness and potentially dangerous wiring. Many are located in a poor environment and need to be extensively modernised. This is one aspect of Glasgow's problem.

Unfortunately this quality deterioration in the housing stock has not drawn a positive response from Central Government - indeed present

government policy has sustained a real commitment to reduce capital expenditure on public housing. Thus the second aspect of the City's housing problem is a decline in the resources available to tackle it. It is to this question of finance that we now turn.

SHIFT IN RESOURCES

The current context for the public housing service in Glasgow is one of increasing housing needs and diminishing resources. It is clear that the Government wish to withdraw support from public sector housing as far as possible and force local authorities to finance their housing service from rent income. (In Strathclyde, only 5 of the 19 housing authorities still receive Housing Support Grant).

Without a 'real' increase in rent levels, i.e. above inflation, there will be a dramatic fall in the resources available.

Housing Revenue Account (HRA) income has fallen from £197m in 1980-81 to £153m in 1984-85. A sharp decrease of some £13m can be expected in 1985-86. This is due to two factors:

- (i) Rate Fund Contribution limits are likely to be set under new legislation at some 7% below the 1984-85 guidelines, i.e. at £27.4m. This is £7.6m below the RFC of £35m in 1984-85.
- (ii) Housing Support Grant was reduced by around 20% in both 1983-84 and 1984-85. The proposed level for 1985-86 is £24.8m, compared to £52.2m in 1980-81.

These reductions in income of £13m will therefore fall entirely upon housing expenditure, which contains two main elements, the repairs service and housing management.

TABLE 2: Housing Department Expenditure

	<u>£m</u>
Repairs	29.75
Lost Rents	3.65
Multi-Storey Flats (mostly caretaking)	4.85
Housing Department (mostly staff costs)	9.84
Central Administration	5.37
Stair Lighting	2.02
Other (insurance, tenant co-ops, etc.)	1.68
TOTAL	£57.16m

Source: GDC 1984-85 combined estimates. Excludes hostels £2.86m.

A £13m cut is equivalent to losing all Housing Department staff and services, or to halting the repairs services with a loss of some 900 jobs in Building and Works. A continuing decline in HRA can be expected over the next 5 years. The DC's Housing Core Group have stated that without a substantial increase in capital spending it will not be possible to maintain all stock in a safe, wind and watertight condition. As a result, substantial increases can be expected over the next four years in the number of properties held void awaiting major repair work.

This grim picture is in contrast to the non-HRA account. The DC has in recent years taken advantage of the open-ended non-HRA allocation and has made a significant impact in the improvement of the City's private sector housing stock. However, fluctuations have created programming difficulties and the proposed cut from £80.5m in 1984-85 to a provisional allocation of £37.5m in 1985-86 is a severe blow to the urban renewal programme and to the building industry.

CONCLUSION

It is clear that Glasgow faces massive problems of unemployment, poverty, deprivation and poor health. The District Council has approximately 170,000 houses, many of which are suffering from serious disrepair and are located in a poor environment. These problems will not go away, they are cumulative and can only become more acute and urgent. In addition, the City suffers from all the social problems typical of any urban area, although these are particularly bad in the DTL areas of the four peripheral estates. In the absence of adequate resources to tackle these problems, the Council has been forced to develop new models for improving its housing stock.

CHAPTER FOUR

A NEW RESPONSE: THE CONTEXT OF THE COMMUNITY OWNERSHIP PROGRAMME

PREFACE

This chapter examines the context of the development of the Community Ownership Programme in the light of the problems outlined in the previous chapter. This will enable us to see why the project is considered to be an appropriate way of tackling some of Glasgow's DTL areas.

INTRODUCTION

In the first two chapters we have looked at the problems of the public sector as a whole and the way in which these are particularly manifested in DTL areas. We have also examined some strategies for tackling DTL estates and the problems associated with these, particularly the shortage of resources and the political difficulties of management decentralisation and increased tenant participation.

In the last chapter we turned to Glasgow's housing problem and analysed the way in which the condition of the housing stock combined with a decline in resources available to tackle this problem have forced Glasgow District Council to develop a new model for improving public sector housing.

Against this background, this chapter examines the influences actually brought to bear in shaping the Community Ownership Programme. We will see how the Council have drawn on the resources and experience available in the private sector and amongst tenants, as well as within their own structure. We will examine the role of partnership arrangements with the private sector, the District Council's own experience of an area-based approach, tenant participation in public sector housing and the development of new forms of tenure.

Finally, some conclusions are drawn about the way in which the Council has used this experience in order to generate a fresh response to the problems of its DTL areas.

PARTNERSHIPS IN PUBLIC SECTOR HOUSING

Local authorities have traditionally not sought the active involvement of the private sector in developing joint initiatives in public sector housing. Until recently they had the physical and financial resources

available to undertake large scale development and redevelopment, so the private sector was confined to its traditional role in construction.

However, the 1980s have brought a different financial climate to public sector housing. In real terms the capital expenditure on local authority housing has reduced by 57% in the period 1974 to 1982 and local authorities are unlikely to be given significant additional resources in the foreseeable future. The pressures on the HRA have resulted in insufficient resources to maintain adequately many of the high maintenance developments built in the 1950s and 60s. Thus the dilemma facing many local authorities is harnessing sufficient resources to overcome design deficiencies by remodelling and rehabilitation, and to adjust the mix of tenures. In this situation, partnership arrangements between public and private sector are frequently beneficial.

The next section outlines the idea of Development Trusts and their advantages for the different groups involved, and then goes on to show how they can be used to tackle the problems of DTL areas.

DEVELOPMENT TRUSTS

David Rock in the Grass Roots Developers (1982) highlighted the idea of a Trust of interested people and organisations which could establish a development company to see through developments in situations where the public and private sectors had failed. These Developments Trusts are a mechanism for improving the facilities and environment of marginal areas, although they often focus their activity on only one site. They can take a variety of forms although they have a number of common organisational features:

- (a) They take the form of companies limited by guarantee, usually with charitable status, attracting both public and private sector finance.
- (b) To avoid the restrictions on trading which charitable status entails, a trading company (normally wholly owned by the Trust) is established.
- (c) A mixture of public, private, community and special interest groups are represented on the Trust's Management Board.

Three main groups are involved in development trusts - local authorities, the private sector, and individuals and community groups. The concept of a trust has advantages for each of these groups, which explains the increasing popularity of the development trust as a mechanism for local initiative.

The Public Sector:

For local authorities facing huge cutbacks in capital expenditure, the emphasis is now on "pump-priming", using limited public sector finance to lever as much private sector support as possible. Many of the projects undertaken by trusts are, in strict economic terms, commercially non-viable. Public subsidy is therefore essential.

From the local authority point of view, the development trust is a mechanism which can attract finance to a project while still ensuring (through its Articles of Association) that the overall objective is for the public good. In this situation a local authority can provide sites or buildings at nominal charge.

Most development trusts attract private sector support in two ways. First, support is sought on social or charitable grounds, normally as a donation or free services. Trusts tend to create considerable local publicity which is a useful spin-off! Private sector involvement also comes through straightforward commercial investment. The appeal of a development trust is that it attracts wide support, increasing the guarantee of a return.

Individuals and Community Groups:

For individuals and community groups, a development trust ensures that something happens where previously both public and private sector had failed. There is usually some scope for community representation in the management structure and a feature of many development trusts has been the important role played by committed local residents.

John McCreddie (1984) outlines the main advantages of development trusts as:

- (a) their ability to deal with multiple objectives - political, social and commercial;
- (b) their ability to attract support from the widest possible range of sources - Central and local government, charitable foundations, private sector (donations and investment);
- (c) the raising of confidence and expectations which the formation of a trust can produce.

Development trusts come in all different shapes and sizes. For example, there are tourism projects, such as the Ironbridge Gorge Museum Trust in Telford, Shropshire, inner city projects such as the North

kensington Amenity Trust in London, rural initiatives like the Pennine Heritage, and Trusts which concentrate on the special problems of listed buildings, such as the Bridgegate Trust in Glasgow.

However, of the greatest interest in this context are the Development Trusts which have attempted to revitalise rundown properties and improve existing housing stock for rent or sale. One example of such a development trust is Stockbridge Village in Knowlsey.

Stockbridge Village Trust, Knowlsey

The Cantril Farm housing estate in Knowlsey Metropolitan Borough was developed in the mid 1960s by Liverpool City Council to rehouse families from the central area slums. Properties on the estate soon became DTL and stood vacant, there was a high level of vandalism and unemployment and a lack of amenities.

Following visits by the Secretary of State for the Environment in 1982, a team comprising Christian Salvesen (Properties) Ltd, Barratt Developments Ltd, and the Abbey National Building Society was established to explore options for improving the area. Stockbridge Village Trust was subsequently established in April 1983 as a private non-profit distributing body to:

- (1) buy the estate from Knowlsey MBC with mortgage loans from Abbey National, Barclays Bank and Knowlsey MBC;
- (2) manage the existing houses;
- (3) supervise a programme of housing and environmental improvement;
- (4) provide a new shopping area and community and sports facilities.

Most of the existing houses have been remodelled, over 700 flats and maisonettes have been demolished, the layout of the estate has been

redeveloped and some facilities have been improved. The trust aims to achieve a minimum owner occupation level of 50% within the estate. In order to encourage former local authority tenants to purchase their home, the trust intends to support an equity sharing scheme, whereby tenants can buy their home in stages, paying rent for the part not owned and a mortgage for the part being bought. However, those who cannot afford to buy their refurbished homes will be moved to other areas.

The Department of the Environment is shortly to undertake interim monitoring of the scheme to determine its success and whether the scheme is capable of replication elsewhere. At present it is difficult to gauge what the conclusions will be. Certainly positive change is occurring on an estate which was previously considered to be amongst the worst in Britain. However, it still does not solve the problem of providing attractive, low cost housing to rent for those who cannot afford, or choose not to buy their own home.

Nevertheless, the model of Stockbridge Village Trust has been used by Glasgow District Council to set up similar initiatives in Glasgow at Barlanark and East Woodlands.

Barlanark, Glasgow

A Community Development Trust has been proposed by GDC at Pendeen Crescent/Sandaig Road in Barlanark. Barlanark is a post-war housing scheme constructed in 1953 and lies to the south of Easterhouse. The existing housing form and layout comprises 506 houses in a very densely developed area of predominantly four-storey tenements, with little open space and no off-street parking facilities. Poor daylighting is experienced in several areas because of the high canyon effect of the housing.

Most of the stock is now empty and despite the continued employment of security guards, the condition of the property will deteriorate further if kept vacant for any length of time. Together with lost rents, the cost of keeping the houses vacant is estimated at £434,000 pa.

The Development trust will have the following three aims:

- (a) to develop a mixed programme comprising: new build for sale and rent, improvement for sale and rent, shared ownership schemes, partial demolition, environmental improvement and provision of local amenities;
- (b) to establish a new management structure involving new and existing residents, funding agencies, the District and Regional Councils and the Housing Corporation;
- (c) to formulate a sound financial package covering the purchase of dwellings from the Council, an appropriate development programme, staffing and a continued maintenance programme.

This situation closely reflects the reasoning behind the creation of Stockbridge Village Trust, so it may be possible to use the experience gained in Knowsley as a model for use in Glasgow.

The East Woodlands Development Trust, Glasgow

East Woodlands is a mixed residential and commercial area which has been the subject of neglect and decay for a number of years. The area is characterised by small gap sites, badly decayed buildings, rubbish strewn streets and a high ethnic population. Despite these problems, the area has great potential for improvement.

10 lies approximately one mile northwest of the city centre and forms part of an extensive area of Victorian sandstone tenements and terraces whose high architectural and townscape quality has been recognised by the designation of much of it as a Conservation Area.

In the western part of the area, environmental improvements such as stonecleaning, backcourt upgrading and repairs have been carried out under grant provision, but this has been incremental and it became clear that some form of comprehensive action was necessary. In order to retain the existing community and to overcome problems of attracting finance, a Community Development Trust was established in February 1985. This comprises local residents, representatives of local businesses and members and officials of the District Council and will employ its own staff, including a full time director.

Summary

At the beginning of this section it was mentioned that there are many different kinds of partnership arrangements between the public and private sectors, although for the purposes of this paper we are confining ourselves to those which deal with rehabilitating public sector housing. We have so far discussed only one of the various models of joint public-private partnerships, namely development trusts. This is because at present, development trusts have been the only such venture set up by Glasgow District Council, as they are concerned with rehabilitating run-down areas while still retaining some housing for rent.

However, some local authorities have decided to sell areas of DTL housing to private developers, to produce low cost housing for sale.

Sale of High Rise Block. Edinburgh District Council

The 23-storey block of flats, built in 1964, had become DTL by the late 1970s and by 1978 was completely vacant. Since they did not have the funds available for refurbishment, the DC realistically had two alternatives - demolition or sale. As the cost of demolition and the level of existing loan debt was considered to be too high, the block was sold to a private developer, with the Council receiving a share of the profit to liquidate its existing debt.

The flats were comprehensively refurbished with particular emphasis on security, and were all fully occupied 18 months after work started. They were sold for approximately £10,000 each, thus providing 86 low cost dwellings for sale at no additional cost to the Council. The eventual distribution of profits was 61% to the local authority, who provided loan guarantees and mortgage finance, and 39% to the developer.

This type of development has been considered for similar high rise blocks in Glasgow. Recently there was a great deal of media attention when the District Council turned down an offer from a private developer to buy a vacant block of flats, Hutchesontown 'E', on the City's south side. Such arrangements are politically unacceptable to the Council who are opposed to what they see as the sale of council assets.

CONCLUSION

These examples have highlighted some of the main advantages of joint public private partnerships. The most important elements are the wide range of finance utilised and the harnessing of local people's talents and energies.

For the private sector, it keeps the existing workforce employed, creates new work, and, if the local authority owns the land and sells it direct, it reduces the need for development capital. For the local authority and housing associations, a certain part of the housing need is met since waiting list applicants, former council tenants and first time buyers are usually given priority.

As a recent article in 'Housing Review'[1] comments, inner city partnership schemes to renovate housing for sale may be advocated as creating a better tenure and social mix, but they cannot cure all ills. Booth (1982), in his report for the Housing Research Foundation, identified the biggest problem as funding enough nominated purchases. In the conclusion he makes a number of points local authorities should consider when undertaking such schemes.

First, be clear about the primary objective, since this will influence the type of venture. Second, establish demand in advance - remember local authority's traditional role is to meet need not demand, and to provide housing to the standard they believe to be right not down to a price. Finally, in the case of Community Development Trusts, it is important not to minimise the difficulties of reconciling the different objectives of all the parties involved.

The Community Ownership Programme

So what are the implications of this for community ownership?

The COP is another type of joint public-private venture, although in this case the dwellings will be sold to a housing co-operative formed by the tenants, not to a private developer. Private sector finance will be in the form of a mortgage, which each co-operative will raise on commercial terms from a bank or building society.

The local authority will provide loan guarantees on the mortgage and repair and improvement grants. There will also be indirect subsidy in the form of one-off promotional grants and a management agency agreement. More details of the financial aspects of the project are given in a later chapter.

One major advantage of this scheme over, say, the outright sale of DTL housing to a private developer is that the dwellings, although lost to the mainstream council stock, will still provide relatively low cost housing for rent. Tenants will be able to transfer from the Council's waiting list to a house in one of the co-operatives and tenants leaving the co-op may apply for a council house. Tenants of the co-op will retain their housing points gained for length of residence. Thus transfer between the two sectors will be simple.

In conclusion, we can see how GDC has drawn on the experience of development trusts and other joint public-private ventures to develop the model for community ownership. Although the Council has rejected the idea of sale of dwellings to a private developer for rehabilitation and sale, it is prepared to sell them to the tenants who will form the housing co-operative. In this way, it gains some of the advantages of partnerships, such as access to private sector finance, without the disadvantage of losing part of the rented housing stock.

1. Housing Review, Vol.33 No. 4, July-August 1984.

Introduction

Another major influence on the development of the Community Ownership Programme has been Glasgow's experience of area management. As was discussed in Chapter 2, management decentralisation has often been mentioned as an essential component of the combined approach to tackling DTL areas. However, many local authorities have been reluctant to put it into practice, due to both political and financial constraints.

The following section gives a brief outline of the area-based approach to local authority policy making, focussing on three particular arguments - meeting the diversity of needs, a co-ordinated response to local problems and reflecting community-defined problems and priorities. It then goes on to discuss developments in practice, including area initiatives and area management in Glasgow. Finally some conclusions are drawn about the role of community ownership in furthering Glasgow District Council's commitment to area-based management.

Development of the Area-Based Approach

It is difficult to attribute the development of an area-based approach to local authority policy making to the influence of a single coherent philosophy. Rather it can be seen as a response to a set of related ideas, articulated in different forms by a number of commentators on the operations of local government.

The central concern of most of these ideas is the notion of 'responsiveness', and a criticism that current policy making fails to respond to the needs and problems of the community. More specifically, local authorities have been seen as insensitive to the needs of deprived

areas and ineffective in designing services to meet them. This perceived failure has led to an interest in the development of area management which is seen by Central Government as "a means of adapting local government organisation so that it can respond more sensitively and effectively to the particular needs of areas" (DoE, 1974).

As Barbara Webster (1982) comments, this concept of responsiveness is a rather generalised notion and contains three distinct strands of thought. These arguments are concerned with the diverse socio-economic character of different areas and the resulting diversity of needs, the need for a co-ordinated approach to local problems and the need for policy decisions to reflect more closely local preferences and priorities.

1. Meeting the Diversity of Needs

Within any particular local authority, different areas or neighbourhoods have different social and economic characteristics such as population structures, industrial and employment structures, physical features and ethnic compositions. These differences create varying needs for local authority services and proponents of an area-based approach argue that local authorities should adjust their policies and service delivery to take account of them.

It has been suggested that the prevailing tendency is for local authorities to adopt policies which apply to the whole authority and provide uniform levels of service, on the principle that all areas should be treated alike in order to avoid any charges of discrimination. Many writers have put forward the idea that this tendency towards uniformity has been reinforced by the development of corporate planning and the emergence of larger governmental units. However, others feel that the problem of deprived areas is not that they receive the same amount of resources as

other areas, but that they receive even less, despite their demonstrably greater need.

An area approach is believed to allow these difficulties to be overcome by enabling policies and resource decisions to be tailored to the specific needs and problems of particular localities.

2. A Co-Ordinated Response To Local Problems

It has been argued that an area-based approach would develop a more co-ordinated or comprehensive approach to the needs and problems of particular areas. Many urban problems are complex, highly inter-related and locality-specific, and are not amenable to the functional approach, funded on professional specialism. This 'comprehensive approach' was discussed in the last chapter.

There is another case to be made for a co-ordinated approach, based on the different pattern of need found in different localities. Where the functional perspective predominates, local authorities' services will tend to be based on priorities between different services, rather than on area priorities. If the most effective use is to be made of the resources available, the allocation of those resources must be considered in relation to the overall needs of the area.

3. Reflecting Community - Defined Problems and Priorities

As Webster (1982) comments, for some the argument for an area approach is not so much a question of recognising another scale of dimension in the policy process as a concern with the balance of influence between the local authority and the community in that process. It is argued that 'responsiveness' implies reacting to local perceptions or definitions of needs, and local priorities for service provision.

Local authority policy processes have been criticised for failing to involve the community in the decision making process. Often participation has occurred at the stage of formal approval of policies, rather than at the earlier stages of defining problems and issues and formulating possible policies. Planning is unusual among local authority departments in having a degree of public consultation enforced upon it by law, but many other public services, such as education and health have failed to provide opportunities for local preferences and priorities to be expressed.

The case for an area-based approach is, then, that it would make the processes of decision making and service delivery more democratic by allowing greater influence for community demands and priorities in the decisions made. The concept is of an 'inductive policy process', a 'bottom-up' rather than a 'top-down' process (Bennington and Skelton, 1973).

This concept of community participation will be discussed later with particular reference to tenant participation in public housing.

DEVELOPMENTS IN PRACTICE

Since the mid-1960s there has been widespread experiments with new forms of policy focussed on neighbourhoods. These include educational priority areas, community development projects, the urban programme, action areas under the planning acts, general improvement and housing action areas under the housing acts, the inner area studies and the area management trials.

Some of these initiatives, particularly those which address themselves to the problems of urban deprivation, have been strongly criticised. The sort of objections raised are that deprivations are not as spatially

concentrated as many have assumed, that the root causes of the problem cannot be tackled effectively by compensatory planning for particular areas and that the underlying political motive is to show maximum concern at minimum cost.

As Robin Hambleton (1978) comments, many such policies have been pursued with little or no understanding of the relationship between them, or of the way they relate to the major spending programmes, let alone the way they influence market forces in the private sector.

However, Hambleton argues that:

"the spatial dimension remains important and public policy makers would be unwise to reject the value of various forms of area approach for they retain considerable potential for opening up fresh possibilities for change. First, they can promote new ways of learning about problems and opportunities in the city and the efficacy of current policies. They can cut across functional patterns of thinking. Second, they can bring important new perspectives to bear on the combination of processes which coalesce to give rise to our most serious problems of urban deprivation. Third, they can, by relating policies to areas which are meaningful to local residents, assist in the renovation of management and political processes at the local level." (Hambleton, 1978, p.138).

AREA INITIATIVES IN GLASGOW

During the early 1970s, a number of reports were produced which pointed out the serious social and environmental problems in the City's peripheral housing schemes. These reports included the Linmap exercise carried out by the SDD in 1972 and the "Areas of Need" report, produced in the same year, which incorporated its results. Despite the emphasis on a comprehensive approach, almost all the proposed solutions were physical in nature and social problems were not really dealt with.

In February 1975 the DoE published the results obtained from work on

data. This documented the severe problems found on Clydeside and received widespread publicity. In response to this, GDC identified the "Areas at Risk", mainly the major post-war peripheral schemes of Easterhouse, Drumchapel, Pollok and Castlemilk. A report from the Planning Department also recommended that Area Management Teams be set up to deal with the whole range of corporate services. In fact, the only administrative change that was made was the setting up of a management team to improve the management of services.

Throughout the mid 1970s there was increased concern regarding the decline in the City's population but in fact the scale of the decline predicted never materialised.

In 1980 the DC introduced the "Alternative Strategy" in response to Central Government cutbacks in housing expenditure. This report recognised that some programmes and areas required intensive input of resources and the GEAR area, the Maryhill Corridor and the four peripheral estates were designated as priority areas. In addition to these areas the Council has used a system of categorising "stress areas" on the basis of vacancy rates, transfers and turnover.

There are five categories of stress, category 1 being the most problematic to category 5, the least problematic. 66% of council stock is categorised as average or above average in terms of stress (that is category 1, 2 or 3). 77% of all DC dwellings in the peripheral estates are in the worst two categories.

In 1980, Special Initiatives were set up for the most problematic parts of the peripheral schemes - Kingsridge Cleddans (Drumchapel), Garthamlock and Lochend (Easterhouse), Priesthill/Nitshill (Pollok) and Tormusk/Scarrel (Castlemilk).

Generally speaking, the approach in these areas was a fairly comprehensive one, covering improvement, conversion and restructuring of the housing stock, the diversification of tenure, changes in letting and a number of management initiatives.

Sim (1984) outlines the aims of these area-based approaches as:

- (i) to halt and reverse decline;
- (ii) to bring dwellings to an acceptable standard of amenity;
- (iii) to afford security to all residents;
- (iv) to stimulate community regeneration and development;
- (v) to upgrade and maintain the environment.

The Special Initiatives have had a number of important successes and have, to a certain extent, made a contribution to improving problem areas of the city. However, notable problems have been the high level of vandalism of such improvements, and the large amounts of money needed. The attraction of community ownership is the relatively small amount of financial input required from the DC.

Area Management in Glasgow

Glasgow's area management scheme was later than many others, implemented only after 1980. Corporate working had been introduced in 1975 and subsequently the centralising tendencies of this re-organisation were recognised. The whole management structure was revised and area management committees (AMCs) were set up for the eight areas of the District. The task of these AMCs was to advise and supervise the local delivery of council services, and identify particular local needs and problems with the support of the area management teams, formed from officers of the main services departments of the District and Regional Councils, and other

public agencies.

This area management structure was seen as a way of extending the area-based experiments such as GEAR. However, the areas have not really been allocated any real powers, other than to recommend local projects and comment on departmental strategies (see Jackson, 1984 and McFadden, 1982).

Decentralised Housing Management in Glasgow

In 1978 the Housing Department was re-organised to provide a comprehensive housing service, taking on new roles in policy planning and resource allocation for both public and private sectors. As part of this, new highly qualified professional staff were appointed and the management structure was decentralised to seven Districts throughout the City, each consisting of two adjacent Area Offices (except the Southeast District which has three area offices). Each Area Office has 30 to 40 staff and deals with such functions as rent collection, allocation, estate management, housing benefit and arrears. However, at present the seven Districts are each the size of most housing authorities before decentralisation, and there are long term proposals for further decentralisation to comprehensive neighbourhood offices at an even more local level.

Area Management and the Community Ownership Programme

The COP brings housing management down to the local level. Each housing co-operative will manage its own houses through a democratically elected management committee drawn from their own tenant-members. The committee may choose to appoint their own staff. In this way, decision making takes place at the neighbourhood level, of perhaps several hundred houses.

However, as the experience of co-operative housing in Scandinavia has shown, the size of the co-operative is crucial. A balance must be created between having groups which are small enough to give a cohesive identity, and on the other hand, groups which are large enough to be financially materially viable.[2]

For example, if the co-operative is too small, it will be expensive to employ management and maintenance staff. While some services might be bought from a secondary co-operative, each co-operative must have its own caretaking staff. In Norway, it is generally recognised that around 150 and not more than 250 dwellings is an ideal size, although the range is from under 100 to over 1,000 dwellings.[3]

In this respect, Calvay co-operative, at around 360 dwellings seems rather large, although the house type, four-storey tenements, means that they are contained in a small geographical area. On the other hand, Broomhouse and Ballantay, at around 100 dwellings, seem rather too small for effective management. At Ballantay there is the possibility of extending the co-operative to include other dwellings as some are improved and let.

Nevertheless, despite these reservations about the size of each co-operative, the proposals for community ownership do seem to extend, albeit in a limited scale, Glasgow District Council's commitment to an area-based approach.

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2. These are the same problems which face any local authority trying to implement area management proposals.
 3. See Kintrae, K. and Munroe, M. (forthcoming) Community Ownership in Norway, University of Glasgow Centre for Housing Research.

Tenant Participation

Various developments during the 1970s provided fertile conditions for the idea of tenant participation in housing. Some of them are described in a Fabian pamphlet, Can Tenants Run Housing?, Fabian Research Series 334, 1979. Speculation in private rented property in the property boom of 1970-74 provoked the formation of tenants associations and resulted in some co-operatives being formed (e.g. Fairhazel in Camden). Slow, insensitive, and sometimes destructive clearance activity by local authorities prompted the formation of tenants co-operatives for rehabilitation in Liverpool, Cardiff and elsewhere. The scarcity of housing for young people provoked a rebirth of the squatters movement which, in some cases, led to the formation of co-ops especially in London. Finally, criticism was growing of the insensitivity and paternalism of traditional local housing authority management.

This criticism of failing to involve the client has been levelled at many areas of local authority service provision. Blunkett and Green (1983) argue that local authorities are currently failing to attract mass support for the services they provide, whether they be housing, welfare, education, recreation or transport. This they attribute to the style of delivery:

"we have not provided services with people, we have provided them for people. Therefore our commitment has been to some sort of paternalistic socialism when we say 'Give us a chance and we will do it for you'.....we end up being defensive. We are defensive about the role of tenants in housing, defensive about the role of parents and teachers, and defensive about the role of so-called 'clients'. Central and local government services end up being something given to people out of the goodness of our hearts and not something they are participating in and feel to be theirs....."

In many cases, council housing has been administered by officials whose paternalistic attitudes are reminiscent of the nineteenth century.

they have not been sympathetic to the needs of the large and increasingly self-confident communities which council housing now serves. In many cases, tenants have no say over the form or allocation of benefits and services. As Colin Ward (1974) comments:

"the landlord-tenant relationship has never been a happy one. In Britain, it has always been accompanied by mutual suspicion, to which, when housing was conceived as a public service rather than as a source of profit, was added the syndrome of dependency and resentment that characterises the council estate."

One way in which local authorities have encouraged tenant participation is through tenant management co-operatives, where the public landlord retains ownership of the property, but management (in part or in whole) is devolved to the tenants. The role of these co-ops is examined in the following pages.

Tenant Management Co-Ops

Tenant management co-ops are one way in which local authorities have responded to the varying problems inherent in both their stock and their relationship with tenants.

All but one of Scotland's co-ops are management co-ops. In England, in contrast, par-value co-ops greatly exceed management co-ops in number. Both types of co-ops are particularly concentrated in London, the South East, Liverpool and the Northeast.

There are eight publicly funded housing co-ops in Scotland, one in Edinburgh and seven in Glasgow. The Summerston co-op of 247 houses was set up in 1976-77. The houses are owned by the District Council but most of the management is carried out by the co-op. A similar but smaller co-operative of 63 houses - the Fairbridge co-op - was established by the SSHA in late 1978. The 200 tenants of Speirs co-op in Yoker managed the

modernisation of their houses. Another two co-ops have been set up in Summerston, adjacent to the first, while the two newest co-ops have been set up in the east end of Glasgow, Whiterose and Claythorn.

The Housing Co-operatives Review Committee, in its 1983 report on Housing Co-operatives in Scotland concludes that the variety of co-ops demonstrates that housing co-ops can be set up successfully in old and new housing, in flats and houses with gardens, in inner city and suburban locations, in very small and very large units, and in conventional and unusual architectural forms. They have tackled a range of housing tasks: rehabilitation and modernisation of older property, letting of unpopular housing, maintenance and repairs, neighbour disputes and environmental improvements, mostly with outstanding success.

It has been argued that co-ops give the tenant control over his housing environment, without the feeling of a paternalistic (perhaps benign, perhaps neglectful) landlord who makes the regulations. The more tangible benefits can include reduced vandalism, quicker repairs and a better environment.

Collette Morton (1984), in her study of the tenants in Summerston, shows that these advantages are seen as the major benefit of living in a co-op. For the majority of respondents in her survey, tenant participation was not seen as an end in itself, rather tenants felt that such attributes as a community spirit and a better environment are likely to be associated with 'community living'. The tenants in her survey also expressed a high degree of satisfaction with the existing opportunities to let views be known, and also in terms of the management committee being in touch with people's needs. Among tenants as a whole there was an enthusiasm for a system of housing management based on self-determination, participation and co-operation. Despite the problems, tenants recognised that they shape

policies and decisions.

Promoting Tenant-Management Co-Operatives

Nevertheless, despite these successes, it must be recognised that several other proposed tenant management co-ops have failed to get off the ground. Sometimes there has been real scepticism on the part of the tenants, despite the enthusiasm of the landlord. Sometimes councils have very entrenched views regarding the management of 'their' housing stock, and often officers and members are worried about decreased influence. Some are genuinely concerned about the practical problems that can arise. For example, if tenants allocate some, or all, the relets, what will happen to racial minority groups, ex-offenders, ex-mental patients, the alcoholics, etc.

However, many housing authorities appear uninterested in the possibilities of tenant management co-ops. The Housing Co-operatives Review Committee wrote to all the housing authorities in Scotland and received only 32 replies, of which 11 had rejected the idea of tenant-management co-ops in principle and six were still thinking about it. This shows great reluctance on the part of housing authorities to accept any innovation.

As Goodlad and Popplewell (1982) comment, the evidence of the established co-ops and less fruitful ventures clearly demonstrates that co-ops do not just happen - there is a need for a commitment to the ideas of tenant participation and control to be expressed in practical assistance. Both GDC and the SSHA have employed staff to promote and develop co-ops.

The Housing Co-operatives Review Committee note that there is a prevalence of the idea that the initiative to set up a co-op should come

heard of the idea and do not know of the potential benefits. The criticism that the idea did not originate with the tenants has been levelled at both tenant-management co-ops and par-value co-ops by the Glasgow Tenants Federation, noted in an article in The Guardian in September 1984. This view provides an ideal excuse for housing authorities to argue that since no tenants group has come forward wishing to set up a co-op, there is obviously no interest from the tenants.

Recognising the lack of widespread adoption of the idea of tenant management co-op, the SDD issued a circular to encourage the promotion of pilot co-ops (Tenant Participation and Housing Co-operatives, SDD, 1977). This circular recognised the highly centralised system of housing management in the public sector and urged that substantial efforts be made to encourage tenant participation.

Four important benefits of this were envisaged:

- (i) Giving tenants a greater individual satisfaction through having the opportunity to exercise real control over their living conditions.
- (ii) Developing a stronger sense of concern for the local community and reducing social isolation.
- (iii) Bringing more personal initiative and resources into housing management, and, in the long run, providing for more effective use of management resources.
- (iv) Providing, in effect, an alternative form of tenure to the virtually straight choice which now exists in Scotland between owner-occupation and renting from a public authority.

(This latter point will be discussed in more detail in the next section).

In discussing tenant participation, it seems relevant to ask how much control tenants in tenant-management co-operatives really have? Is their power illusory and do the public landlords retain effective control?

To give effective control to tenants, real budgetary and management powers must be devolved to them. England has evolved much further than Scotland in the degree of delegation. In London, tenants are responsible for the entire gamut of management functions such as repairs and maintenance, management, lettings, rent collection and insurance. This is much less true in Scotland where, for instance, none of the management co-operatives has tackled rent collection. The English co-operatives are also paid a much higher cost per house for management - £420 per house, contrasted with £210 in Glasgow.

All Scotland's tenant-management co-ops carry out a broadly similar range of tasks. Only one has carried out a major capital project, and no co-ops have been set up to carry out only one or two functions. Only one local authority and the SSHA have entered into agreements with tenant management co-ops: no new town development corporations and no housing associations.

While most tenant-management co-ops have been very successful, there have been problems over the degree of responsibility delegated to tenants. The logical conclusion is to give the tenants total control, that is ownership of their homes.

New Forms of Tenure

Tenant management co-operatives have clearly increased tenant participation and can, in a way, be seen as an alternative form of tenure.

housing associations, the so-called 'third arm' of housing provision in Britain, have also been seen as an alternative form of tenure. This 'third arm' concept refers to the role of housing associations in supplementing and complementing the housing provision of, firstly, local authorities and Central Government agencies which together constitute the statutory 'arm' of housing, and, secondly, the private sector. However, this view of housing associations as a "quasi-private" sector of the housing market is debateable, since most are funded entirely by central government, via Housing Association Grant (HAG) and Revenue Deficit Grant (RDG).

Certainly housing associations in Glasgow have involved tenants in management and have contributed greatly to inner city renewal, renovating or building over 10,000 houses. However, not one of the Glasgow community based housing associations has yet set up a tenant management co-op.

In Glasgow, two different schemes have attempted to diversify tenure by bringing owner-occupation within the reach of lower income households. The first of these, Homesteading, was an innovative scheme set up by the District Council. The second, council house sales, was enforced by Central Government and is politically unacceptable to the Labour controlled GDC.

Homesteading

One innovative scheme which attempted to diversify tenure in one of Glasgow's peripheral schemes was Homesteading. This was introduced in January 1981 as a small part of the overall strategy to reverse the outflow of tenants from Easterhouse. At that time, the estate comprised 15,000 houses, all in public ownership, many of which were DTL and some derelict.

Homesteading in Glasgow differs from schemes already established elsewhere, in that the DC carried out the necessary envelope repair work

before the flats were sold at discount prices to people already on the council's waiting list. The flats were sold on condition that purchasers carried out specified repairs within certain time limits. Loans were made available for house purchase, together with a topping up loan to enable the homesteader to finance his or her share of the internal work. Improvement grants were also available towards such work.

Mortgage payments were deferred for a period of one year from the date of entry. If a homesteader sells the property within five years, he or she must repay a proportion of the discount to the Council.

Due to the popularity of this project, the initial scheme was expanded to include a further 162 flats in the Easterhouse area and 47 flats in traditional sandstone tenemental property in Shettleston.

GDC undertook a survey of homesteaders in October 1981, not long after the project had started. It appears to be a success by various measures. Most of the homesteaders had been local authority tenants previously and 60% had been living in Easterhouse itself or the surrounding eastern area of the City. To a certain extent the project has met housing need - purchase had enabled a number of families to improve their physical housing conditions to the extent that 11 families who did not have sole use of basic amenities now have so, and 14 families who had previously been living in overcrowded conditions now live in accommodation of adequate size.

Homesteading also appears to have met housing preferences in that it allowed families who wished to own their own home and would probably not have been able to do so on account of low income, to realise their ambition.

The general level of satisfaction among the homesteaders was good. This was illustrated by the fact that the majority were willing to

recommend the scheme to others, and they believed that they would have no trouble selling their property when they wished to move.

Financially, the scheme seems to be a viable option for GDC - it cost less than the other three alternatives for the houses involved - demolition, refurbishment by the DC, or an agreement with a private developer.

However, Homesteading was politically unacceptable to the majority of members on the Labour controlled DC. Their 1984 Manifesto came out strongly against the sale of Council assets, even though it could be argued that vacant houses which cannot be let are no asset. Nevertheless, Homesteading, despite its successes, is clearly not a solution to the problem of DTL housing.

The majority of dwellings in such areas are occupied and therefore cannot be sold, except to the sitting tenants, many of whom cannot afford or do not wish to purchase their home. The advantage of community ownership is that it gives many of the benefits of owner-occupation such as control over one's environment and an element of self-determination, without the individual responsibility for repairs and maintenance.

Council House Sales

Under the provisions of the Tenants' Rights Etc. (Scotland) Act 1980, local authority tenants have the right to buy their council house if they have at least two years continuous tenancy. Despite attractive discounts of up to 60%, this scheme has not been a success in Glasgow, in that a very small proportion of tenants have taken up the opportunity to purchase their council house.

At present, Glasgow has the sixth lowest proportion of council house

sales of any Scottish local authority. At March 1985, Glasgow had sold or finalised missives for 3,548 houses since April 1979, 2.04% of original stock. This compares to 3.1% in Aberdeen, 4.9% in Edinburgh, 0.8% in Dundee and 1.2% in Motherwell.

The average time from an application to buy to a sale is 7.4 months, and 80% are sold in 9 months or less. Edinburgh, Aberdeen, Dundee, Argyll and Bute, Banff and Buchan, Clydebank, Dumbarton, Falkirk, Gordon, Midlothian, Monklands, Renfrew, Shetlands, Stirling and Western Isles are all averaging more than 12 months in processing council house sales applications.

Analysis of the first 1,000 houses sold has shown that the most popular areas of the city, such as Anniesland and Mossbank, which are inter-war cottage estates, have been the most popular with purchasers. 29% of properties purchased have been in Anniesland and 17.3% in Mossbank, whereas only 0.6% and 0.3% are in the peripheral schemes of Castlemilk and Easterhouse respectively.

The majority (74.9%) of properties sold have been semi-detached or terraced, making a loss of 2.8% of the total stock of these house types which make up 15.1% of the City's stock. The house types which are in shorter supply, such as these and four-in-a-block, are being purchased most frequently.

Almost half (49.4%) of dwellings sold have been four apartments, 37.6% three apartments and 13% five apartments. A high proportion of the City's stock of larger houses has been sold. If this trend continued, the supply of an already scarce house size will diminish.

The average valuation price of the first 1,000 properties sold was £17,728, but the average selling price was only £9,469 - a negligible sum

compared to the average new build cost of £32,000.

Therefore, it is the more desirable house types in the more popular areas which are being purchased. The DC is losing its most sought after housing stock and is not receiving sufficient cash from sales to replace it. This result of sales was predicted by many writers who have argued against council house sales.

In Glasgow, the DC believe that selling council houses is in conflict with the basic social objective of helping people obtain minimum standard housing that they could not afford in the open market. As there are still large numbers of people poorly housed and on the waiting list, to dispose of part of the public housing stock before meeting the basic housing need of these people seems to constitute an abandonment of one of the basic functions of government.

CONCLUSION

The purpose of this review of past initiatives has been to show how the DC have drawn on their experience to develop the model for community ownership. These are the roots from which the scheme has grown.

In summary, the COP draws on the financial advantages to be gained from establishing a joint public-private venture, without losing the houses to the rented stock as would happen if they were sold to either a private developer or the sitting tenant. The project will focus resources on particularly deprived areas and will hopefully tackle a number of social problems as well as the physical problems of disrepair. In addition, it requires a smaller amount of capital expenditure than some other extensive improvement programmes and after the two year development period, there will be no recurring revenue expenditure.

Finally, the project should bring management down to the neighbourhood level of a few hundred houses and give some of the advantages of owner-occupation without the individual responsibility for repairs and maintenance. In the next chapter we will examine the model in more detail.

CHAPTER FIVE

THE COMMUNITY OWNERSHIP PROGRAMME: THE MODEL

PREFACE

We saw in the last chapter how a new response to one of Glasgow's housing problems had arisen, drawing on the experience of past initiatives. In particular we considered the influence of joint public-private ventures, tenant initiatives, new forms of tenure and the development of an area-based approach to housing management. This chapter discusses the Community Ownership Programme in detail, outlining how the idea emerged and describing how the model will work. The purpose of this is to set the scene for the pilot study areas described in the next chapter. It is also important to outline how the project was set up, as this information is unavailable elsewhere.

INTRODUCTION

It is difficult to attribute the idea of setting up par-value co-ops in Glasgow to any one individual. Rather the idea seems to have evolved from discussions between various groups, including consultants, tenants and the District Council.

In early 1983, a group of tenants from Calvay Crescent in Barlanark approached the District Housing Manager to express dissatisfaction with their area, especially the environment and the condition of the housing. When told that the area was scheduled for improvement in 1991, the tenants asked the DC to explore other, quicker, ways of funding an improvement programme.

Discussions between the DC, consultants McGurn, Logan & Duncan, and various key officers and politicians continued throughout 1983. By Christmas of that year, the DC seconded Iain Nicolson, a District Housing Manager from the City South area, to investigate further the possibilities of community ownership. The City South area of Glasgow contains 63,000 private sector houses, by far the largest number of any area within the city. It also has a number of community based housing associations and consequently Mr. Nicolson has had considerable involvement in community projects.

In January 1984 an interim report was presented to the Housing Core Group of the DC, which resulted in recommendations for further consultation with a number of tenants' groups. By March 1984, 14 groups had been identified and four areas - Ballantay (Castlemilk), Calvay (Barlanark), Broomhouse and Wellshot (Cambuslang) - were selected for feasibility

These four areas were chosen to represent different house types and different socio-economic backgrounds. In turn this would lead to variation in the valuations and the amount of improvement grant needed. It was hoped that this would show that a standard model for the COP could be applied in any area.

By July 1984, Wellshot had withdrawn from the scheme and a number of other tenants groups, notably Priesthill Traditional Action Group, the Southdeen Action Group and the Possil Steering Committee were keen to take their place. However, the DC decided to go ahead with the three pilot schemes and feasibility studies were presented to the Council in November 1984. These were approved on 13th December 1984.

At present (April 1985) the Council are still awaiting approval from the Scottish Office, but this is expected to be given later this month. It is also expected that a special allocation of funds will be made available for the COP.

HOUSING CO-OPERATIVES

There are three main types of housing co-operative. These are as follows:

- local authority (housing association, new town or other public landlord) owned tenant management co-operatives, where ownership is retained by the public landlord but management (in part or in whole) is devolved to the tenants co-operative;
- equity sharing co-operatives in which members have an individual share (or equity) in the property and subsequently benefit from the

appreciation in value when they leave;

- par-value co-operatives, where the members collectively own the houses but have no individual share in the equity.

For the purpose of this study the second type, equity sharing co-operatives, have been disregarded. The fundamental difference between the other two types is that a management co-operative is specifically what it states: it is about collective management of the houses. A par-value co-op is, in addition, the collective owner of the houses.

PAR-VALUE HOUSING CO-OPERATIVES

Most par-value co-operatives are fully mutual, that is, all the members are residents or prospective residents, and all the residents are members. The reason for this will be more fully explained later. In a fully mutual co-operative, par-value is where neither the members' right to occupy the property nor their share in the co-operative is an asset which they can dispose of for value. The tenant-members collectively own their houses, but have no stake in the increasing value of the property. They contribute a nominal sum for membership, usually £1, but receive no individual capital gain when they leave.

The co-operative, like a housing association, employs its own staff, who are usually supervised by a democratically elected management committee. It is possible for a co-op to be managed by a general meeting of all its members, but this is usually thought to be unpracticable for two reasons. First, the large numbers of people involved would usually make meetings either unwieldy or inquorate. Second, this would preclude any tenant-member of the co-operative being employed by the co-operative in any capacity. Thus the co-operative could not, for example, employ one of their residents as caretaker.

The rights of both committee and members are outlined in the co-operative's constitution, approved by the Scottish Federation of Housing Associations and registered with the Registrar of Friendly Societies and the Housing Corporation under the provisions of the 1974 Housing (Scotland) Act.

A par-value co-operative is autonomous and self-sustaining. Neither the co-op nor its members receive any form of direct financial subsidy, although as we will see later, there are many forms of indirect subsidy. The main source of income is generated through rent.

Many of the proponents of housing co-operatives are convinced that housing is not just a commodity to be bought and sold, but that in some way a home adds to your sense of self, your identity. Co-ops allow a much greater participation and responsibility by tenants, which encourages both this vital sense of home and the development of subtle networks of mutual support and sharing. In this way, it has been suggested, co-ops make homes from mere houses, and collective, as opposed to individual ownership creates communities of neighbours.

However, as Jelfs (1984) comments, creating homes and communities in practice requires the bringing together of three things - people, buildings to purchase or rent, and finance to buy and repair. Many housing initiatives have the third factor missing.

The next section outlines different aspects of these three factors - the membership of the co-op, the buildings and financial aspects. It also outlines briefly the process of setting up a par-value co-op. Most of this is fairly general and would apply to any other group in Scotland who wished to form a par-value co-op.

MEMBERSHIP

It is essential that the co-op be fully mutual, i.e. all the members are residents or prospective residents and all residents are members. Co-ops should therefore seek to adopt the model rules laid down by the Scottish Federation of Housing Associations (1981) or any fully mutual co-operative.

If the co-op is not fully mutual, the following problems arise:

- tenants have security of tenure so it is difficult to obtain a mortgage as the property cannot be used as adequate security;
- tenants have the right to buy at statutory discount;
- the co-op will not receive tax relief on the loan interest, exemption from Corporation Tax on rents or exemption from tax chargeable gains on property.

BUILDINGS

Valuation:

As far as the price of the property is concerned, the right to buy discounts do not apply. The property requires to be sold at the best price the DC can secure. If the Council proposes to dispose of the houses at a price less than that (i.e. below the City Estates Surveyor's valuation), the Secretary of State's consent is required.

This issue of valuation has caused many problems in Glasgow. A low valuation and consequently, purchase price is essentially to the financial viability of the proposed co-operative. However, this can be difficult if a tenant in the area has already purchased his home under the right to buy

provisions or if the outstanding loan debt on the dwelling is substantial.

If the outstanding loan debt is equal to or less than the purchase price, the modified value is simply a transfer of the Council's capital gain on past investment. Alternatively, in many cases it is possible to argue that the dwellings have in fact no market value and should be transferred at nil cost. This case has been put forward by a tenants' group in Possil who feel that the poor condition of their houses makes them uninhabitable, and the high vacancy rates have cost the Council a great deal of money on security. Thus they argue that the Council will save money by transferring the money to the co-op at nil cost, even though there is still a substantial outstanding loan debt.

Transfer

The DC will transfer the subjects through negotiations with the co-op's agents and solicitors. This transfer will be subject to mutual agreement by all parties as to the terms contained in the Minute of Agreement. A separate Agreement will exist between the DC and each co-op.

Improvement Programme

The capital improvement programme for each co-op will be met in the following way: the DC, under the provisions contained in Section 58 of the Housing (Scotland) Act, 1969, as amended by Section 44 of the Housing (Scotland) Act, 1974 will, through contractors to be appointed by the Council, carry out the entire improvement and repair programme.

The advantages of this to the co-op are as follows:

1. The co-op will not be liable for VAT. This will provide a substantial saving.
2. The DC will be responsible for the improvement and repair contract and

the administration of grants and payments, relieving the co-op of the administration.

3. The agency agreement will operate over a development period of, say, 2 years, which will give the co-op time to organise their management structure.

SOURCES OF FINANCE

1. Central Government

The main source of central government funding for housing co-operatives comes from HAG through the Housing Corporation. However, it is not suggested that any potential co-op should apply for this, as it would give the Housing Corporation the following powers:

- (i) to order an investigation or monitor the co-op;
- (ii) dismiss the co-op management committee and appoint its own;
- (iii) to close down the co-op;
- (iv) to regulate its activities.

However, the Housing Corporation does have powers which would be useful to most par-value co-ops seeking non HAG finance. These include:

- (i) to act as a source of mortgages using money raised by the Corporation from the Private Sector;
- (ii) to act as guarantors of mortgages from private bodies.

Other areas of central government finance which should be investigated are Urban Aid and other financing such as the SDA's 'leg-up' assistance.

Subsidy from central government also comes indirectly through tax relief on the co-op's mortgage.

2. Local Government

There are five main ways in which local authorities can assist co-operatives with the financing of housing projects.

(i) **Mortgages** (Section 152, Housing [Scotland] Act, 1966)

Under this section a local authority may give grants or loans to a housing co-operative, if they are registered with the Housing Corporation. However, this option has not been taken up by GDC as it would result in purely a book entry in the non-HRA block - the Council would be providing the money to buy its own houses from itself. Instead, mortgage finance is to be provided by the private sector which will realise approximately £1m in favour of the Council and give them an additional borrowing consent in 1985-86.

(ii) **Guarantees** (Section 31[1], Tenants Rights Etc. [Scotland] Act 1980)

This section permits a local authority to issue a guarantee in respect of the principal and interest on loans and also in respect of any arrears, on money borrowed elsewhere, eg. building societies. Thus the co-op is much more likely to get a mortgage. However, the Treasury regards the issuing of guarantees as a form of public expenditure so the local authority must obtain the prior approval of the SDD. If such a guarantee was called up, the Council would be required to buy back the dwellings from the HRA block under the pre-emption clause contained in the Minute of Agreement. The question of purchase price would then cause some difficulty, as the post-improvement houses will clearly be valued higher than the original purchase price paid by the co-op.

(iii) **Improvement and Repair Grants** (Section 1, Housing [Scotland] Act 1974)

Under this legislative provision, the co-operative can apply for

repair, improvement and environmental improvement grants. These come from the DCs non-HRA block.

(iv) **Section 137 Local Government (Scotland) Act, 1972**

This is a general power which could cover funding to co-ops by local authorities. The Council has the power to "incur expenditure in the interests of their area or any part of it".

(v) **Housing Association Grant** (Housing [Scotland] Act, 1974)

HAG can be administered by a local authority, but the co-op would first have to register with the Housing Corporation

3. The Private Sector

There are five main sources of funds from the private sector: building societies, banks, charitable trusts, insurance companies and pension funds.

Building societies are permitted to lend up to 10% of their funds as special advances to bodies such as housing co-operatives. These are not available to registered housing associations where the Housing Corporation has given a first mortgage. Banks can also provide mortgages and loans for improvement.

Finance is also available from charitable trusts, pension funds and insurance companies. Details of this can be found in Mortgage Finance for Housing Co-operatives: a practical guide by Martin Jelfs (1984), published by the Empty Property Unit in London.

Financing Glasgow's Co-operatives

The COP will receive finance from each of these three main sources:

- (1) Central Government will provide funding indirectly through Mortgage Interest Relief at Source (MIRAS) and Housing Benefit. Co-op members are unique in receiving both these benefits, as normally only owner-occupiers receive mortgage interest relief and tenants (public or private sector), Housing Benefit.
- (2) Local Government, that is, GDC will supply repair and improvement grants from the non-HRA block. The amount of grant funding has yet to be decided, as the DC are in the process of applying for Housing Action Area (HAA) status for each of the co-ops. This would have three results:
 - (a) It raises the maximum grant to £13,800 per unit, compared to the £10,200 which would otherwise be the case.

- (b) Grants will be available at 90% level, rather than 50%, which will reduce the co-ops borrowing requirement.
 - (c) There is a possibility that the grant threshold limit of £13,800 could be increased.
- (3) The Private Sector Finance will come in the form of a loan to purchase the properties and to pay the 'top-up' necessary on the repair and improvement grants.

SUBSIDY

The co-ops will receive no direct subsidy, unlike tenant management co-operatives which are paid allowances for management and maintenance, or HAG and RDG which is paid to registered Housing Associations through the Housing Corporation.

However, there will be indirect subsidy, from both central and local government. This indirect subsidy will take the following forms:

1. Non-repayment of repair, improvement and environmental improvement grants.
2. Modified valuations
3. Tax relief on the mortgage reflected through a reduction in the rent paid to the co-op.
4. Housing Benefit, where applicable, will continue to apply.
5. Staff will be seconded from the DC during the development period at no cost. Once the properties are improved and re-let, the co-op will be expected to pay for its own staff.
6. Management agency services will be available from the DC at no cost during the development period and at 5% thereafter.
7. Some houses may have to be vacated to allow internal work to take

place. Temporary accommodation will be available from the DC at no cost during the development period.

8. Loan guarantees will be provided by the DC under the provisions of Section 152 of the Housing (Scotland) Act 1966 as amended by Section 31 of the Tenants Rights Etc. (Scotland) Act, 1980.
9. The DC will provide under the provisions of Section 44 of the Housing (Scotland) Act, 1974 an agency agreement to carry out the improvement and repair contract, saving the co-op bridging costs and VAT on the contract.
10. A major building society is prepared to provide capital advances seeking no repayment of principal and the recovery of interest only, during the initial development period. Capital and interest repayments to commence thereafter on a minimum term of 25 years.

REPAYMENTS

Since the co-op borrows the capital, it is collectively responsible for the repayment of capital and interest over a fixed term. The member-tenants pay a rent to the co-op which includes repayment for the following charges and services:

1. The cost of servicing the capital and interest repayment on the co-op's mortgage. The rent paid by each member will have been modified to take account of the tax relief obtained through Mortgage Interest Relief at Source (MIRAS) on the co-op's mortgage.
2. Management.
3. Repairs and Maintenance.
4. Contingency Costs.
5. Insurance
6. Service Charges - these must be written into the lease to obtain

Housing Benefit where applicable.

7. Management Agency Services to be provided by the DC on a fee chargeable basis.

Cost rents will be set by the co-op, which will have to be sufficiently high to cover all of the above costs. Rents will be subject to annual review.

FAIR RENTS

Tenants of all housing co-operatives can have a Fair Rent registered by the local rent officer unless it is a co-ownership scheme (Section 86, Rent Act 1977, amended by the Tenant's Rights Etc. [Scotland] Act, 1980). Fair rents are set without regard for either the tenants' means or the landlord's obligations. If Fair Rents which are lower than cost rents were enforced, it is possible that the mortgage payments would not be covered by the rental income, let alone all the other overheads.

At present, the Glasgow co-operatives will not have to register a Fair Rent as they will not receive either HAG or RDG from the Housing Corporation. The cash flow projections for each co-operative suggest that rents will be approximately 30% higher than the average council house rent in Glasgow. This is because council rents have been kept artificially low, partly due to the level of central government subsidy the council receives and partly for political reasons. However, it is possible that if costs should rise, say due to a change in interest rates, this differential could increase and tenants could then apply for a Fair Rent to be registered. While it is unlikely that tenants would wish to put the co-op at risk by agreeing to uneconomic rents, this is at present a possibility. The Council are currently taking steps to close this legal loophole.

TAX RELIEF

There are two ways that tax relief on interest payments can be made:

1. By way of a standard mortgage with interest relief at source (MIRAS).
2. By each tenant individually claiming tax relief on the part of their rent which has gone to pay the mortgage interest.

Prior to using either method, the co-operative will require the consent of the Secretary of State.

Procedure:

A co-op may receive tax relief on loan interest by either of the above methods if it receives approval from the SDD under Section 341 of the Income and Corporation Taxes Act 1970. However, before it can receive such approval, all the following conditions must be met.

1. The co-operative must be registered under the Industrial and Provident Societies Act 1967.
2. Its tenancy agreement must exclude sub-letting, or at least not more than one month otherwise it may breach Section 341, 10(a) and (b) of the above Act.
3. Its model rules make it a fully mutual co-operative.

If these conditions can be met, the following information and documentation should be sent to the SDD:

- (a) A copy of the co-op's certificate of registration with the Registrar of Friendly Societies.
- (b) A copy of their model rules.
- (c) A copy of their tenancy agreement.
- (d) The number and type of dwellings in the co-operative and whether they are new build or conversion.
- (e) The date on which they were, or will be occupied.

The SDD will then send the co-op two copies each of two standard letters approving the co-op under Section 341 so that tax relief can be obtained by either method.

THE REGISTRATION PROCESS

Each co-operative must make the following formal applications:

1. Affiliation with the Scottish Federation of Housing Associations, for use of their model rules - fee £40.
2. Selection of a suitable name for the co-op. Once agreed with the tenants, the name together with the names of 7 members will be submitted in advance of the formal constitution for clearance by the Registrar of Friendly Societies. This accelerates the process and may reduce the registration period.
3. The proposals to form the co-op, the feasibility study and the model rules for the co-op should be sent to the Secretary of State expressly stating the intention to seek tax relief on the mortgage.
4. On approval of this application, the co-op should make application to the Housing Corporation for registration purposes only. Neither HAG nor RDG are likely to be available.

Simultaneously, the co-op should make formal application to the Inland Revenue to ensure that tax relief on their mortgage applies.

Registration with the Registrar of Friendly Societies and the Housing Corporation is essential. The co-op then becomes a legal entity with which the DC can legitimately negotiate and to whom the ownership of the stock can be transferred.

Registration with the Housing Corporation is subject to the

Corporation's approval of the terms of the Minute of Agreement between the District Council and the co-operative. Registration provides the following advantages:

1. The co-op are not liable for corporation tax on any surpluses.
2. The Housing Corporation will provide financial monitoring and audit services, which will attract private investment.
3. A lender may insist on registration for a co-op which is fully mutual in order to avoid the security of tenure provision in the 1980 Act.

MANAGEMENT

The co-op will, at the end of a two year development period, become fully autonomous. This will be reflected by the management structure and organisation, which will closely resemble a community based housing association. All the members will elect a Management Committee which will appoint staff, such as a housing manager, a development officer and clerical administrative support. These staff costs have been allowed for in the feasibility studies.

MANAGEMENT AGENCY SERVICES

The tenant organisations have requested that the DC provide a management agency service on a rechargeable fee basis of 5%. It is intended that this service should be withdrawn after the 2 year development period should the co-op seek to become fully autonomous.

The services provided under the agency agreement are likely to include the following.

(i) Allocation, Policies and Practice

There is much concern that allocation policies are fair and

equitable. Some have feared that more 'difficult' groups, such as ex-offenders, ex-mental patients, etc. might be discriminated against. Other groups, such as single parents and the unemployed, are already well represented in the co-op areas, and it seems unlikely that they would discriminate against others in the same circumstances.

At present, policy guidelines for the co-ops are under review. It is proposed that similar guidelines to those used by the Housing Associations should be adopted, i.e. the DC should retain some proportion of nomination rights. However, if the co-op is to become fully autonomous it is difficult to argue that any external body should have a major influence over allocation policies - either the tenants are responsible enough to run their own co-op or they are not.

(ii) Estate Management, Anti-Social Policy, Etc.

Procedures related to these policies will be operated by the co-op and their management staff. Guidelines on current DC policy have been issued in advance to assist the co-op to establish its own.

(iii) Financial Control and Monitoring

Once formed, the co-op will have to satisfy its creditors that it is being managed efficiently. As a fully mutual co-op there will be a requirement to make quarterly financial returns with an annual audit. With the involvement of the Housing Corporation, providing full financial monitoring and audit services, the co-op will be required to appoint their own accountants to prepare financial statements and returns. Allowances have been made in preparing the rents to cover professional fees.

(iv) **Repairs and Maintenance, Policy and Practice**

Procedural guidelines on practice and operational management of this service have been issued to the pilot co-operatives. However, it does seem unlikely that the co-op will wish to follow these guidelines - one of the major complaints of most council tenants is dissatisfaction with the council's repair service. This will be discussed in the next chapter.

(v) **Rent Collection, Rent Arrears, Housing Benefit and Rate Collection**

These are crucial services for the co-op's success. In the short-term, they will be covered by the agency agreement with the DC. This will give each co-op time to decide whether it wishes to employ its own staff to carry out these services or purchase some, or all of them from an outside body, such as a secondary co-operative or the District Council.

TRAINING AND EDUCATION

Training and education needs will have to be identified within each co-op. At present, many members of the Steering Committees have been involved in the setting up of the co-op for over a year and have gained a great deal of experience. However, there is clearly a need to establish some sort of training programme for those who are to be involved in running the co-ops.

Initial discussions have been held between the Scottish Federation of Housing Associations (SFHA), their Secretary and Training Officer for Scotland, to establish joint and shared experience training programmes between members of existing housing associations and the new co-

ops. There are also plans to set up a secondary co-op to service the Glasgow co-ops, one function of which would be training and education.

CHAPTER SIX

THE COMMUNITY OWNERSHIP PROGRAMME: THE PILOT STUDY AREAS

PREFACE

So far we have examined the model for Community Ownership and the legal and financial procedures involved in setting up a par-value co-operative. We now turn to the three pilot study areas to see how this model will work in practice. In each of these case studies, a preliminary sketch is given of the background of the area, followed by a narrative account of the development of the par-value co-op. Much of the information in this chapter came from the feasibility studies produced by the consultant architects, McGurn, Logan & Duncan, and Thornley & Thornley.

INTRODUCTION

The three areas are quite different in some respects although similar in others. In Calvay Crescent, Barlanark, the houses are basically sound and most of the proposed improvements are external to the dwellings, to improve the 'image' of the area. In contrast, the houses in Ballantay Road, Castlemilk have deteriorated to such an extent that the area is now over 80% vacant. Over £20,000 will need to be spent on each dwelling to bring up to the standard requested by the co-op. The co-op at Broomhouse is unique among the pilot study areas in that it is not difficult to let. However, the dwellings do require to be extensively modernised to provide a satisfactory standard of basic amenities. Figure 3 shows the location of the three pilot co-ops.

CALVAY CRESCENT, BARLANARK

The brief summary of the development of the COP given earlier does not do justice to the tremendous amount of hard work done by many people, particularly the tenants groups involved. The commitment and drive shown by the steering committees in particular has been commented on by all those involved in community ownership.

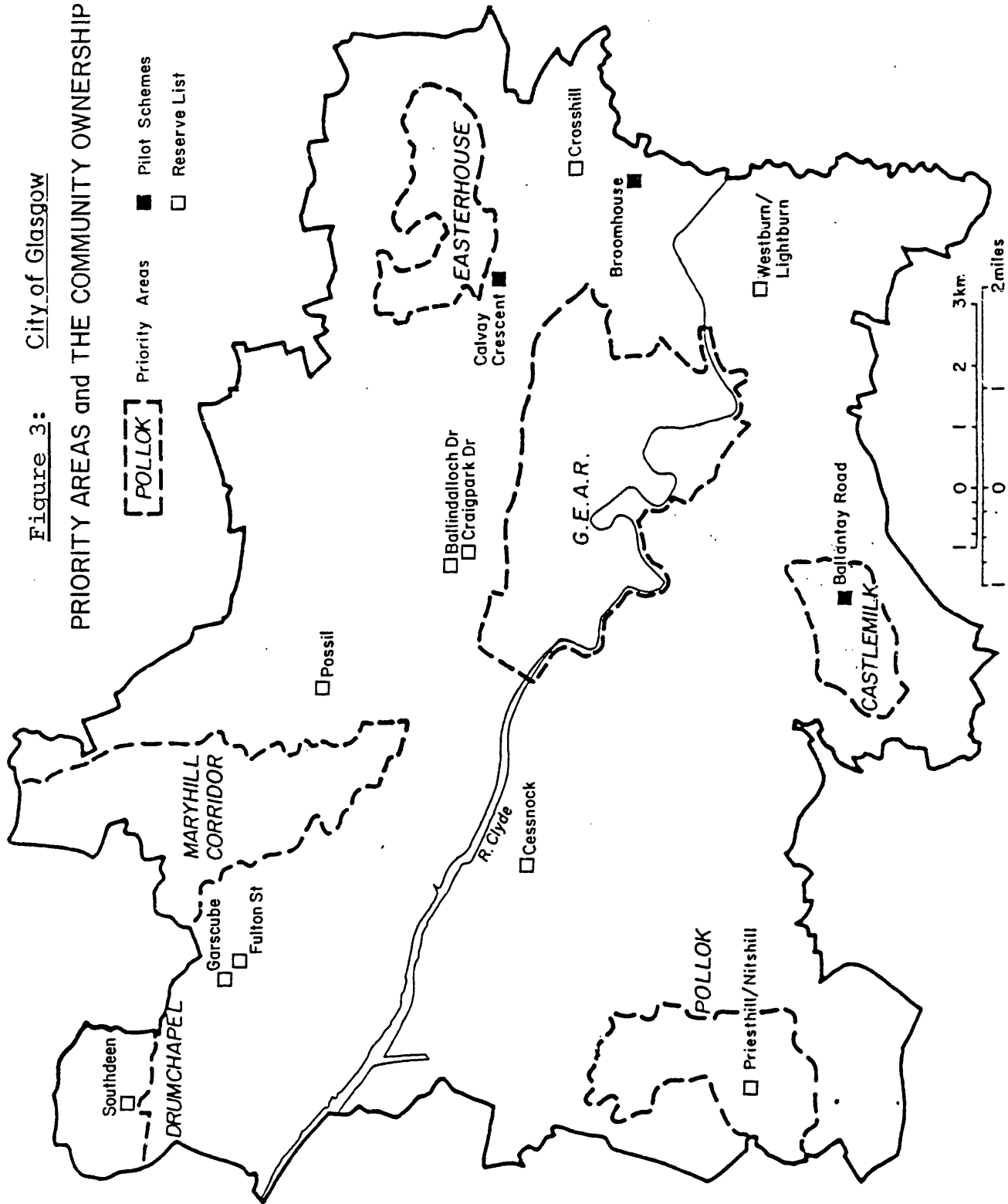
One particularly committed group of tenants were those at Calvay Crescent in Barlanark, who were involved right from the beginning in early 1983. The fact that the early proposals for par-value co-operatives now appear to be getting off the ground is largely due to their efforts.

Background

Barlanark is an early post-war estate of 2,318 houses, lying to the south of Easterhouse, one of Glasgow's four peripheral estates which is the size of a small town with 13,881 council houses and only a few hundred

Figure 3: City of Glasgow

PRIORITY AREAS and THE COMMUNITY OWNERSHIP SCHEME



SOURCE: GDC Planning Department

private houses. Barlanark is separated from other houses by a major road and a railway line. It has all the problems usually associated with DTL areas, which have resulted in a high turnover and vacancy rate and a low level of demand for the area, exemplified by the low number of points needed for a house in Barlanark. GDC have classified the whole estate as Stress Category 1. Figure 4 shows a street plan of the area.

Some of the outstanding problems of the area are as follows:

Social Problems

- high unemployment: approximately 75% of heads of household are unemployed;
- few leisure facilities: e.g. only one public house for 10,000 people, compared to one per 500 for the rest of Glasgow;
- few community facilities: the nearest shopping centre and doctors surgery are at Easterhouse or Bridgeton, an expensive bus journey away;
- poor public transport provision.

Physical Problems

- mass housing of large homogenous units with no feeling of neighbourhood;
- inadequate variety of house types, i.e. mainly large family housing with no provision for special needs;
- large communal open space, which is poorly maintained and contributes greatly to the 'run down' appearance of the area; (see Figure 5, Calvay Crescent)
- no off-street car parking facilities.

In response to these problems, a group of tenants from the area approached their District Housing Manager in early 1983 to discover what

improvements were planned. After a series of discussions, a par-value co-op was proposed as one way of tackling the problems of the area.

The tenants group, supported by the DC, selected their own consultants and in January 1984, Messrs. McGurn, Logan and Duncan were commissioned to prepare a Feasibility Study on behalf of the tenants (the consultants' fees were paid by the District Council). The main objectives of this feasibility study were as follows:

- (i) A full use and condition survey.
- (ii) A technical appraisal of known problems.
- (iii) Environmental and improvement proposals, including all necessary work.
- (iv) Full costings for all necessary work.
- (v) Regular meetings with tenants to provide full visual and written reports.

In the Feasibility Study, the following proposals are outlined to tackle the physical and social problems.

Physical Remedies

(1) To Create Managed and Defensible Ground Cover

To achieve this objective, the existing ground floor main door flats will be given full territorial and maintenance rights over the front and back gardens, with upstairs tenants having private balconies and access to a communal garden in the rear (see Figure 8). Back areas will be redesigned with robust fencing, bin storage, paths and a mixture of soft and hard landscaping. Lines of trees to front gardens, new fencing and gates will soften the harsh facade of the buildings.

These will consist of general upgrading of out-of-date amenities, i.e. rewiring, replumbing, and cosmetic improvement aimed at changing the current 'institutional' image of the buildings. Figures 6, 7 and 8 show the area as it is just now and the architect's impression of what the area will look like after improvement.

Social Remedies

(1) Tenant Participation

Street, block and close committees have been set up with a view to establishing maximum tenant participation. It is hoped that a Development Officer (who will be seconded from the DC) will soon be appointed by the Steering Committee. During the two year development period, the DC will pay the Development Officer's salary. After this, the co-operative will be expected to employ their own staff.

(2) Provision of Amenities

- Play areas are to be provided, with careful evaluation of the age groups and territorial lines of the area in terms of various neighbourhoods, to avoid imbalance and abuse.
- A vacant building is to be converted into a resource centre.
- It has been suggested that vacant land be released from normal planning procedures to provide opportunities for small builders, car repair yards, etc.
- New shopping facilities on the main Edinburgh Road have been suggested. There are a few shops in the area, but they are shuttered and neglected, although still trading profitably. The co-op intend to take these shops over and refurbish them with a view to negotiating, either with the existing traders or new traders, new leases and shop front designs to provide a better quality of shopping, possibly

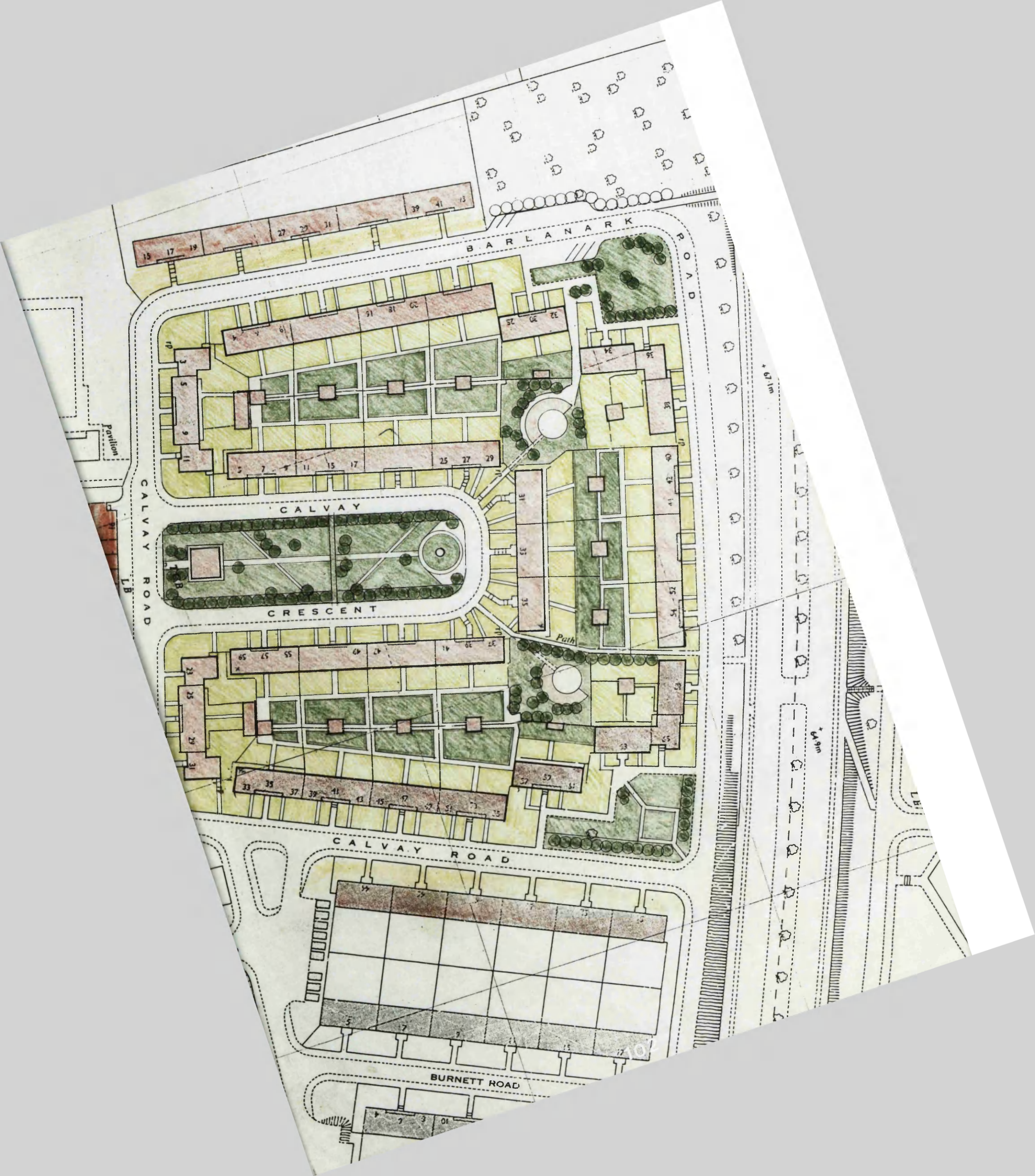
(3) **Job Creation**

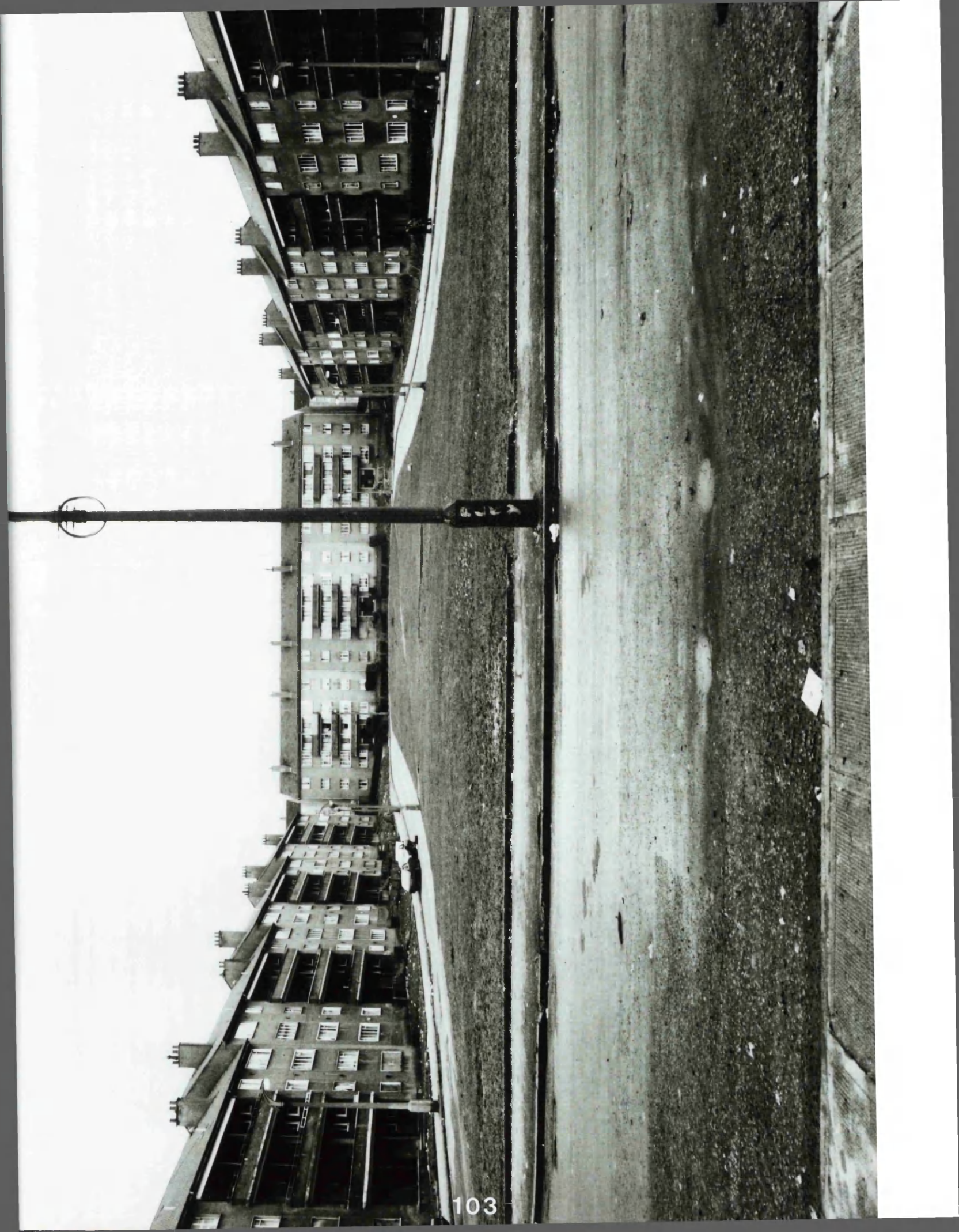
It has been suggested that the building improvements will create employment and training opportunities. There will also be the routine building and garden maintenance required by the co-op.

FINANCE

The repairs and improvements of the ground floor houses will be funded up to a total of 90% of £14,800 if the area is granted HAA status. This represents a total of 90 houses, 25% of the stock. The balance of 276 houses will be grant-aided to a total of 90% of £13,800 per house. This gives a total grant requirement of £4,626,720, which will be supplemented by private sector finance of £514,080, giving a total of over £5m.

The acquisition cost of the houses will be £952 each. The cash flow projections show substantial surpluses in the region of £50,000 per annum so with good management, the co-op should be viable.







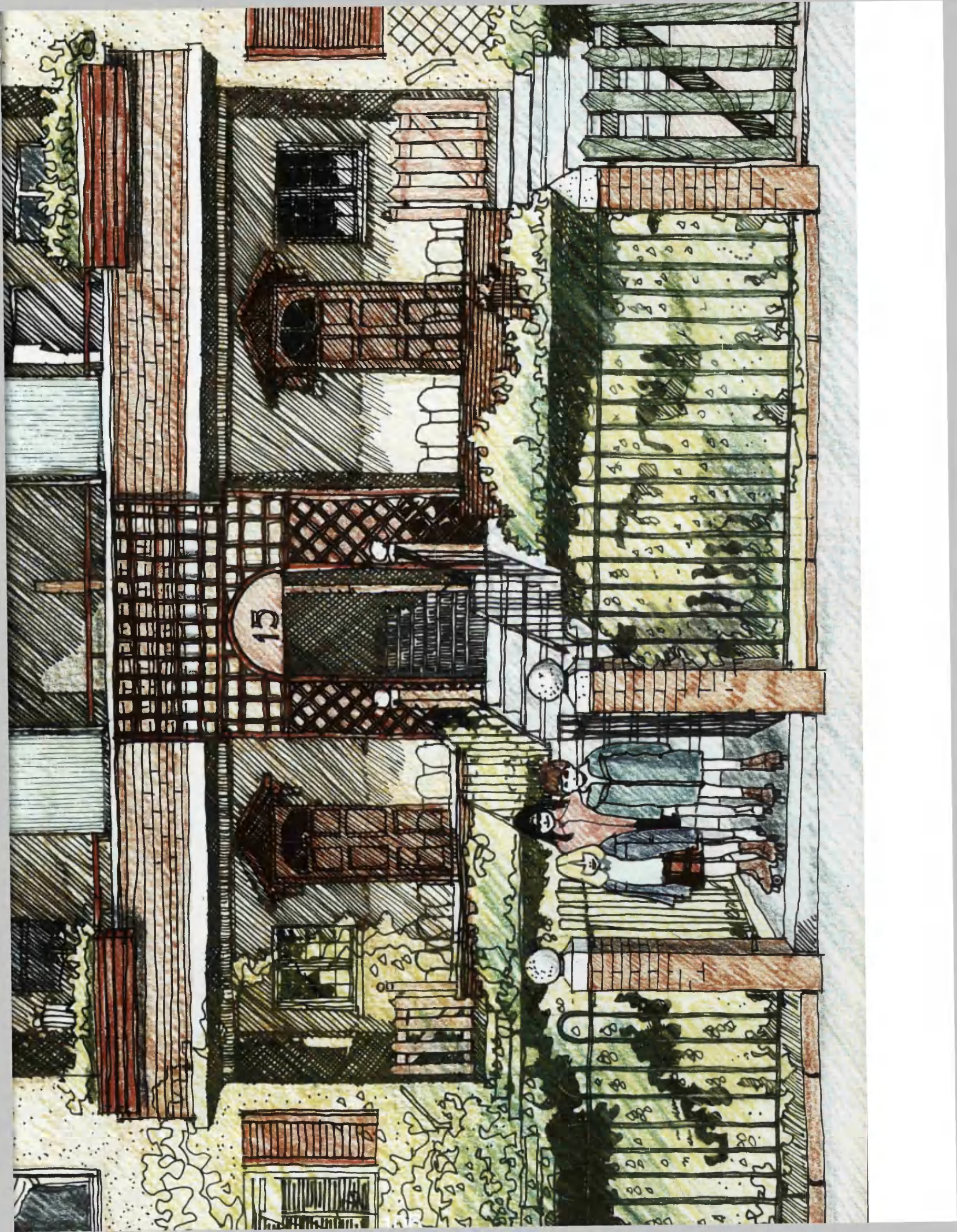


23

21

105

105



15

FIGURE 9



This is the prevailing house type in Calvay - four storey tenements with existing main door entry. The ground floor flats are to be allocated a front and back garden and they will be allocated to tenants who express a desire to care for a garden. These flats will be provided with decorative window louvres which will also function as security screens.



A cosmetic programme of improvement should change the harsh, institutional facade of these buildings. New balconies, windows and doors are to be provided, as well as a general 'facelift'.

Vandalism is a constant problem. These children are playing with the plastic screens used to protect the windows of vacant houses. New play areas are to be built for small toddlers, children, and older teenagers' activity areas. These may be funded by Urban Aid.



The existing shops and small trading area are to be maintained and refurbished, to provide a shopping and new focus



These common garden areas are to be fenced, giving clothes drying and refuse disposal facilities. There will also be common foot-paths.



The existing shops are shuttered and neglected, although still trading. The co-op intend to take these over and refurbish them, to provide a better quality of shopping and new front designs.

Ballantay Road is situated in the centre of Castlemilk, a large council estate of 9,873 houses lying on the south eastern boundary of Glasgow. The estate as a whole was built from the 1940s onwards on the old Castlemilk Estate. Ballantay Road is very close to the site of the original mansion house, Castlemilk House, adjacent to an area of mature trees and a burn. The setting would be envied by many if the housing could be brought up to an acceptable standard (Figure 12).

The properties are fairly similar to those in Barlanark and the area exhibits many of the same problems, particularly the shortage of a good shopping centre and other amenities and expensive transport to the City centre. However, the situation is much worse than that in Calvay Crescent, in that the area has deteriorated to such an extent that over 80% of the houses are vacant. This has left a small group of tenants who are dedicated to improving their area.

BACKGROUND

In the early 1970s Ballantay Road was a pleasant, desirable area according to the local residents. However, by 1979 the area had deteriorated and there were a number of vacant houses which were becoming DTL. It is difficult to discover why this change occurred. Some of the residents have attributed it to a change in the District Council policies - several homeless and single parent families were housed in this area, which is mainly 3, 4 and 5 apartment houses, and the child density rose to over 250 children in an area of 90 houses. Consequently there were problems with vandalism and many of the dwellings fell into disrepair.

Some of the residents from the Ballantay area were at this time part of the Tormusk/Scarrel Area Tenants Association, which covered 1,213

houses. However, they did not feel that the problems of Ballantay were being adequately dealt with so they formed their own Association in 1981.

The immediate objectives of this new Tenants Association were to ensure that repairs were carried out and to campaign for the eventual modernisation of the properties. The committee met weekly and held regular meetings with representatives from the Area Office and with the local councillor, organised street parties and clean-ups and generally worked to improve the area.

However, concurrent with the formation of the Ballantay Tenants Association, the DC sent out a circular to tenants listing the various possibilities for the area. These were demolition, sale to a private developer, or renovation and changed layouts to reduce child density. Alternatively the establishment of a Tenant Management Housing Co-operative was suggested.

By mid 1983 discussions on forming a tenant management co-op were in progress with the DC. A policy of rehousing people from the area was underway and while the possibility of a tenant management co-op was new to the residents, it seemed to offer them the opportunity to improve their homes and the surrounding environment. The Committee visited Speirs tenant management Co-op and were impressed by what had been achieved there. Hopes were raised and the residents felt that the houses would soon be improved. Indeed three families moved into the area on the understanding that a co-op was to be formed.

However, the Committee was then informed by GDC that there was no money to carry out improvements in the financial year 1984-85. Many of the tenants saw this as the end of the road for their area - all the tenemental properties and most of the terraced houses were by now empty.

COMMUNITY OWNERSHIP

In early 1984 a DC official suggested that a par-value co-op might speed up the improvement programme. After a series of meetings with the DC, the Tenant Participation Advisory Service (TPAS), housing associations and others the committee decided to proceed with a Feasibility Study on the formation of a par-value housing co-operative.

Consultant architects Thornley & Thornley were appointed in April 1984 and carried out their Feasibility Study over the summer and early autumn. This examined the following subjects:

- (i) technical and building requirements;
- (ii) financial viability of the proposed co-op;
- (iii) the development process.

THE TENANTS

The present residents of the Ballantay area are committed to the idea of co-operative housing and have put a great deal of work over the last year into learning about par-value co-ops. They are very involved in the community - for example, on the Committee are two youth leaders, three community councillors, a playgroup and summer playscheme leader and one person who is Secretary to the Steering Committee, the Tormusk/Scarrel Tenants Association and the Community Council! (Figure 13 shows a Tenants' Association meeting).

The residents feel that it is important that the COP works in their area, not just for their own sake, but to be an example to other areas, to prove that something can be done. Many residents of such areas have given up hope and the co-op is seen as a way of cutting through the apathy and involving people.

As stated previously, the DC policy of rehousing from this area has left the majority of the units vacant. In this way, Ballantay Co-op^[1] will be more like a new build co-op, in that in the selection of future tenants it may be possible to ensure that they are willing to participate in the co-op and appreciate that they are joining an organisation, not just accepting a house.

The DC are exploring the idea of making up a separate waiting list of those who are interested in being involved in a co-op. Having obtained this waiting list, the allocations policy would have to be used to decide how the waiting list should be ordered. Further details of the problems associated with allocations are discussed in the next chapter.

THE DESIGN APPROACH

There appears to have been a great deal of consultation and discussion between the architects and the tenants about different plan solutions. This enabled not only the residents to come to terms with plans and details but enabled the architect to establish from the residents' own experience what the precise requirements of the prospective members might be.

At an early stage it was decided by the residents that no major structural alterations would take place. The location of the kitchen and bathroom would remain the same. Alternative design solutions for the detail of spaces and equipment were presented and the level of specification was discussed, particularly in relation to the type of heating and hot water system to be adopted.

1. The registered name is Castlemilk East Housing Co-operative Ltd.

The residents were keen to provide some outward indication of their status as a co-op, and the type and style of fenestration was discussed. To this end, the addition of porches to the front and rear was investigated together with the merits or otherwise of external decoration. However, there was much less emphasis on external repairs and improvement than that envisaged by Calvary co-op. In this case, the emphasis is on internal work. The reasons for this are self-evident from the next section.

BUILDING CONDITIONS

Internal Amenities and Repairs

The properties can be divided into two categories - the vacant and the occupied. There are 11 occupied terrace houses out of a total of 32 terrace houses and 58 tenement flats.

All vacant properties are boarded up. They have no sanitary or culinary fittings in place, all service pipes and doors have been removed to reduce further vandalism, the wiring in most cases needs replacement, water mains are generally in lead, roofs are uninsulated as are the cavity walls and rot outbreaks are evident, particularly in the vicinity of bathroom and kitchen waste pipes. There are areas of water damage, the single glazed timber windows are generally ill-fitting and the glass in the majority of vacant properties has been smashed. Internal plumbing is non-existent to all intents and purposes.

All vacant properties are affected to some degree or other by vandalism, smoke, fire or water damage, or a combination of all three, from a minor extent to complete devastation.

Much of the property is vandalised with no roof flashings or tiles. Three houses have no roof at all due to fire damage. All downpipes and gutters are defective. However, the external roughcast, though dirty, is sound.

PROPOSALS

The internal improvement works in general involve complete rewiring; complete renewal of plumbing and new mains; provision of new bathroom suites and kitchen fitments; provision of full central heating by back boiler and radiators.

The internal repair works involve the replacement of all windows and doors, skirtings and facings; replacement of all ceilings and repairs to defective areas of plasterwork; eradication of dry and wet rot.

The external improvement works include the complete recovering of roof finishes; repairs to chimneys; provision of loft insulation and cavity wall insulation; redecoration of roughcast; addition of new porches to terrace houses; repairs to balconies and new close doors and entry systems.

FINANCE

Obviously such extensive repair work will cost a great deal. The total costs for the 90 houses are over £2m for house improvement and repairs and nearly £150,000 for environmental work.

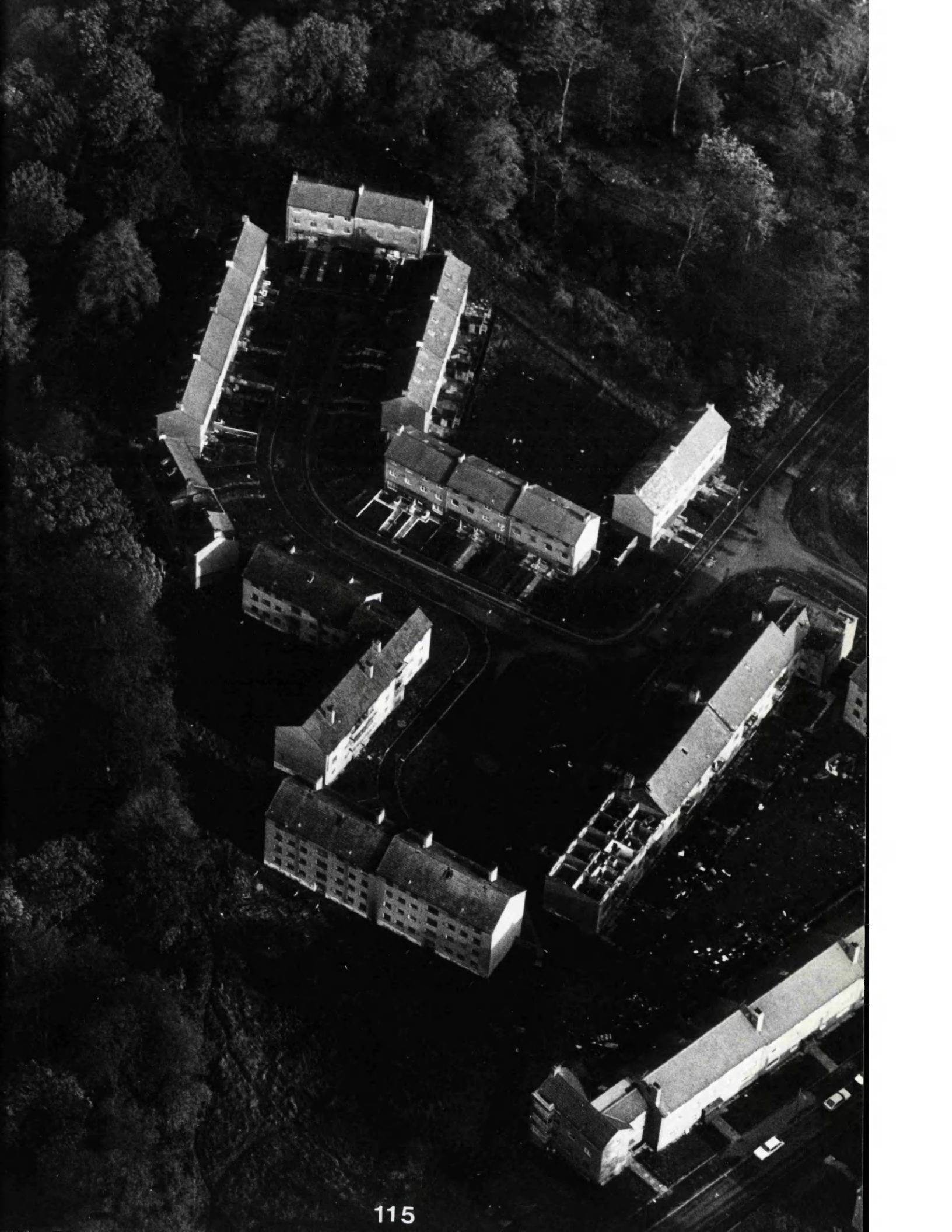
It is clear that given the high cost of capital works, the borrowing requirement on the balance after existing grants of £10,200 per unit were applied would be unrealistically high for the proposed co-op to be viable. Therefore additional grant aid is to be made available.

Originally the City Estates Department had valued the houses at £2,000 each, but further discussions with the DC have led to the purchase price being revalued at £444 per house, plus legal and other expenses. Repair and improvement works at £21,505 per house are to qualify for 90% grant aid and environmental improvements, at £1,642 per house, are to qualify for 100% grant aid.

Although this is a very high level of grant aid, it is important to bear in mind the high cost of leaving these houses vacant. Since 1979, the total loss of rental income has been in excess of £100,000. The loss of rental income on the 77 houses now vacant is running at £2,845 per month, with security services costing £3,700 per month. This excludes the cost of 'Meshlite' screens and other remedial or security work.

Demolition of the properties will leave an outstanding loan debt and past investment in public utilities underutilised. It would also lead to the loss of 32 five apartment houses, of which there is a shortage in Castlemilk. It is unlikely that public finance could be obtained for the construction of new housing following full or partial demolition.

Therefore it seems that a par-value co-operative is the only solution for this area, as the vast sums of money needed for rehabilitation are unlikely to be available from the Housing Revenue Account in the near future. The small group of tenants remaining are committed to the area and to extending the present tenant management co-operative to a par-value co-operative by taking over ownership of the houses.







At Ballantay, all of the tenemental properties (above) and most of the terraced houses (below) are now empty. All vacant properties are boarded up but most have been extensively vandalised. Three houses have no roof at all, due to fire damage.



Vandalism is a severe problem in Ballantay, despite the security guards who patrol the area day and night. It is difficult to know whether this will stop once the houses are improved.

parties next door and windows are constantly being broken.



Despite the run down appearance of the area as a whole, the occupied houses and the gardens are well cared for. Some of the houses have been flooded from burst pipes in the vacant properties next door and windows are constantly being broken.

Broomhouse is different from the other two pilot studies in that it is not an area of DTL housing. Most of the houses are occupied and many of the social problems typical of such areas are not found in Broomhouse. However, it is similar in three important respects: first, its isolation from other housing and its lack of amenities; second, the need for modernisation of the housing stock, and third, its history of active tenant involvement.

BACKGROUND

Broomhouse is situated right on Glasgow's eastern boundary and the group of 101 houses is physically separated from the rest of the city. The group of houses, known locally as The Village, is surrounded by fields and roads, with Calderpark Zoo being its immediate neighbour. Apart from a few properties on London Road, the nearest concentrations of housing are at Baillieston and Uddingston and there are no shops within easy walking distance (see Figure 17).

Most of the houses were built by Lanarkshire County Council in the 1920s and 1930s, with 14 houses being added in the 1950s. The area, while isolated, was sought after, and the houses and gardens were well maintained.

However, over the years it became apparent that while the houses were attractive and substantial, they were in need of repair and modernisation. Lanarkshire County Council had proposed to modernise the houses in 1973 but this was not carried out and when local government was reorganised in 1975 they were transferred to GDC in an unmodernised state.

Community Council in 1975. In early 1979 the DC approached the Community Council with proposals for setting up a tenant management co-operative. A Steering Committee was formed which held meetings throughout 1979, 1980 and 1981. While these discussions were continuing in early 1982, the residents took responsibility for forwarding repairs to GDC which led to improved efficiency but also made the tenants more impatient for the setting up of a fully fledged tenant management co-op. At the same time the name 'co-op' was being rapidly adopted by both residents and officials without formal ratification of its status.

The need for modernisation of the houses was still apparent to the residents and thus in September 1982, representatives from the Steering Committee met with officials of the DC to press for this work to take place. This led to plans for the proposed co-op to manage an improvement and repair programme and to this end a full time administrator was appointed in May 1983. As a result, the residents began to assume more direct control over repairs and contacted various contractors to tender for a yearly maintenance contract.

Thus, in spite of the fact that a tenant management co-op had not been formally set up, the residents had taken control of repairs and had a full time member of staff. They had also commissioned an architect to carry out a Repair and Improvement Programme, but were informed by the DC in December 1983 that the funding would not be available in the next financial year. Naturally the residents were deeply disappointed and felt that they were being overlooked by the authorities.

In February 1984 a meeting was held with various officials from the Housing Department at which the concept of a par-value co-op was outlined.

From then on, the history of the COP in Broomhouse is very similar to

than in the other two areas. Over the last five years the Committee has built up a considerable body of experience both in organising repairs and in looking at various options for the improvement and subsequent management of their houses. Thus the residents of the area are well placed to take on the responsibilities of establishing a par-value co-operative.

DESIGN APPROACH

The design approach in Broomhouse has been very similar to that in Ballantay, as the same firm of architects were involved in both projects. A series of meetings were held with residents of the nine different house types involved to discuss the detailed plans for possible improvements and necessary repairs. In all but one instance, layouts were altered to accommodate tenants suggestions.

It was generally agreed that those houses which lent themselves to extensive improvement (i.e. considerable kitchen enlargement) should be designed to take advantage of this.

The area contains 102 houses, one of which has been sold to the sitting tenant under the Right to Buy legislation and thus is excluded from the co-op. Of the remaining 101 houses all are occupied except for seven - the co-op office, three houses temporarily vacated for rot work, one house used for decants and two casual vacancies.

INTERNAL AMENITIES AND REPAIRS

No settlement or major structural defects have been noted. There have been some complaints of dampness below windows, which are likely to be due to a combination of condensation and badly fitting windows. On the whole, the houses are well lit and ventilated. The existing water supply is

while the plasterwork in kitchens is poor and quite unsuitable for mounting wall units on.

Most windows are ill-fitting, single glazed and with existing astragals. The majority of the houses require rewiring and replumbing.

EXTERNAL REPAIRS

The roofs have reached the end of their useful life and unless renewed will be a constant maintenance problem. External doors are often ill-fitting and rotten and render cracking has occurred in certain house types.

PROPOSED IMPROVEMENTS TO HOUSES

No major structural alterations are to be carried out and only non-supporting brick walls and stud partitions are to be demolished. Proposed improvements include new sanitary fittings in bathrooms, new kitchen units and worktops and new doors with a half-hour fire resistance rating. Central heating will be provided in every house with residents given the choice of gas, electricity or solid fuel.

Repairs will be carried out as necessary to brick and woodwork and all windows will be renewed to the DC's specification. Externally, roofs and gutters will be replaced and existing renderwork repaired.

PROPOSED ENVIRONMENTAL IMPROVEMENTS

These include the repair of external steps and handrails. Tarmac paths are to be resurfaced and existing timber fences are to be replaced in metal.

The houses are to be acquired at a cost of £4,700 each, plus legal and other expenses. Repair and improvement works at £14,013 per house will qualify for 90% grant aid and environmental improvements at £1,648 per house will qualify for 100% grant aid.

It has been recommended that the houses are sold at £3,100 per unit to promote the viability of the co-op. This will provide a capital receipt to the DC in the order of £300,000. The problem for the co-op and the DC is that one house in the area has been sold to the tenant at a price considerably higher than both of these values. If the houses are to be sold at a price less than that set by the City Estates Department, the permission of the Secretary of State is required. Unless a lower price is set, the revised cash flow statement has indicated that the co-op will be barely viable, and the District Council will not agree to progress the co-op. At present, the DC is awaiting consent for the lower valuation from the Secretary of State.







Renovation at Broomhouse is complicated by the 9 different house types. The flated blocks on Lusshill Terrace (above) contain 4 houses each and are approximately one third of the housing stock of the area. Below are three apartment flats on Calderpark Avenue.



Above is one of the four apartment semi-detached houses. Only 3 blocks were built to this design and one is in private ownership. At the end of Calderpark Crescent are 2 short terraces of 7 houses. Built 30 years after work at Broomhouse began, they are poorly planned and have more than their fair share of problems. Five closes permit direct passage to gardens but give no access to houses.



Windows are sash and case in most house types, single glazed and most with existing astragals. On the whole they are ill-fitting and in a state of deterioration. Render cracking has occurred in certain house types.

All windows will be renewed to the District Council's specification.



The immediate environment of Broomhouse is very attractive with the exception of the bottom of Calderpark Crescent where the road carries on to rough ground and the remains of the brickworks. Residents are anxious to see a screen wall or barrier erected at the foot of the Crescent, in order to hide the area behind.

These case studies have two important features in common: first, they are all (except Broomhouse) in DTL areas and second, they all have a history of tenant involvement in the community.

1. DTL

Although Broomhouse is not, strictly speaking, DTL, it still has many of the problems associated with such areas, such as the lack of amenities and the poor state of repair of the houses. It is also physically isolated from other housing by fields, woodlands and Calderpark (Glasgow) Zoo. Most of the other tenant groups on the waiting list are in areas of housing stress, particularly Priesthill Traditional Action Group (Pollok), the Southdeen Action Group (Drumchapel) and the Possil Steering Committee, who are high up on the waiting list.

Why has the COP been set up in such areas? There appear to be three main reasons. First, the seemingly intractable problems of these areas, which were outlined in detail in Chapter 2. Many tenants in such areas have given up hope of ever seeing their area improved - for example, the residents of Calvay Crescent would have to wait until 1991 to be renovated under the Improvement Programme. Likewise, many officials dealing with housing stress areas are hampered by lack of finance to implement projects. For these areas, the COP seems to be their last chance - as one tenant put it "things can't get any worse"!

A second, important factor is that of political acceptability. It is unlikely that the Secretary of State would consent to houses being sold to a housing co-op if there was any indication that the individual tenants wished to exercise their right to buy. Linked to this is the problem of the selling price of the houses, which has arisen at Broomhouse. Too high a valuation will make the co-op unviable, but prices are unlikely to be

A third factor influencing the choice of areas has been the District Council's commitment to redeploying the available resources in areas of multiple deprivation. In the past few years, the greater allocation has been to the non-HRA block which could not be used to improved public sector housing. The COP provides a mechanism for re-routing this non-HRA finance to areas of high stress. This will be discussed in more detail in the following chapter.

2. **Community Involvement**

Many of those involved in the COP have been impressed by the dedication shown by the tenants. Many are unemployed at present and have worked full time learning more about the prospective co-op, visiting tenant management co-ops and holding meetings with various people such as officials from housing, social work, community education, other tenants groups, residents of the local area and so on. Without this hard work, it is unlikely that community ownership would ever have got off the ground.

One point that comes over clearly from all three case studies is that the impetus for change came from the tenants themselves. They were dissatisfied with the condition of their houses and put pressure on the Council to do something about it. While it is true tht the idea of par-value co-ops did not originally come from the tenants, they have been the people who seized on the idea and explored it. The complaint that the idea did not originate from the residents but was imposed on them by the Council does not seem to be valid.[1] The tenants could hardly think of the idea when they had never heard of par-value co-ops.

1. See for example John Edgington, "The Tenants Who Want to go Into Property", The Guardian, 26th September 1984.

The level of tenant participation in design seems to vary between each co-op, probably due to the different attitude of the consultant architects involved and the size of the tenant groups. It is easier to consult with a dozen residents at Ballantay or even 100 households at Broomhouse, rather than over 350 at Calvay Crescent. Also at Broomhouse, the architects held meetings with the tenants of each different house type, and the maximum number in the groups was 20 houses. It is interesting to note that at Broomhouse and Calvay, the tenants are deciding on the plans for their own houses. At Broomhouse, especially, there seems to be a great deal of choice which can be exercised by the individual tenant over, for example what form of heating he or she wishes.

On the other hand, the residents at Ballantay are having to make such decisions for the future residents, as most of the houses are vacant. However, the Steering Committee are very aware of this responsibility. "You're not just in it for yourself" as one member said, "you are speaking for others who are still to come".

A final point is that since interest in a par-value co-op arose from tenant dissatisfaction with their housing, would tenants want to be involved in running their area if someone else could do it properly? Are they only getting involved, because in their eyes, the Council has failed? Is it right that tenants should have to 'do-it-themselves' to have it done properly?

EVALUATING THE COMMUNITY OWNERSHIP PROGRAMME

PREFACE

In the last chapter we examined the three pilot co-operatives and drew some conclusions about two of their important features, namely, that they are all in areas of stress and all have very active tenants' associations. In this chapter we turn to the difficult question of evaluation, focussing particularly on the potential areas of conflict between the different groups involved.

The innovative nature of the COP has already been outlined. It is the first project of its type in Scotland[1] and there has been a great deal of interest shown by other housing authorities and tenants' groups. It therefore seems likely that at some point in the future an attempt will be made to evaluate the scheme. This may be done formally, by Glasgow District Council or the SDD, or in an informal manner. Such an evaluation would be used to inform policy decisions about whether or not the project should continue to be funded and whether it should be repeated elsewhere.

Therefore it is important to consider how such a scheme should be evaluated. Evaluation judges success in relation to certain goals. We must ask whose goals are considered relevant? Whose voices are heard and whose neglected? What criteria are relevant, what is 'success' in this context? Whose purposes should the evaluator serve?

Evaluation is clearly a political issue, especially in this context, as such a project involves the allocation of scarce resources. As Jenkins (1976) comments, there can be no value-free research - all research must proceed from initial valuations of some kind. Try as we will, there is no escape from "the context of evaluation". One way out of the dilemma, he suggests, is to take the political bull by the horns and build "multiple perspectives" into the evaluation, so that it presents, rather than resolves the implicit political issues.

In order to consider these "multiple perspectives" we must analyse the aims of the different actors involved in the situation. Two points should

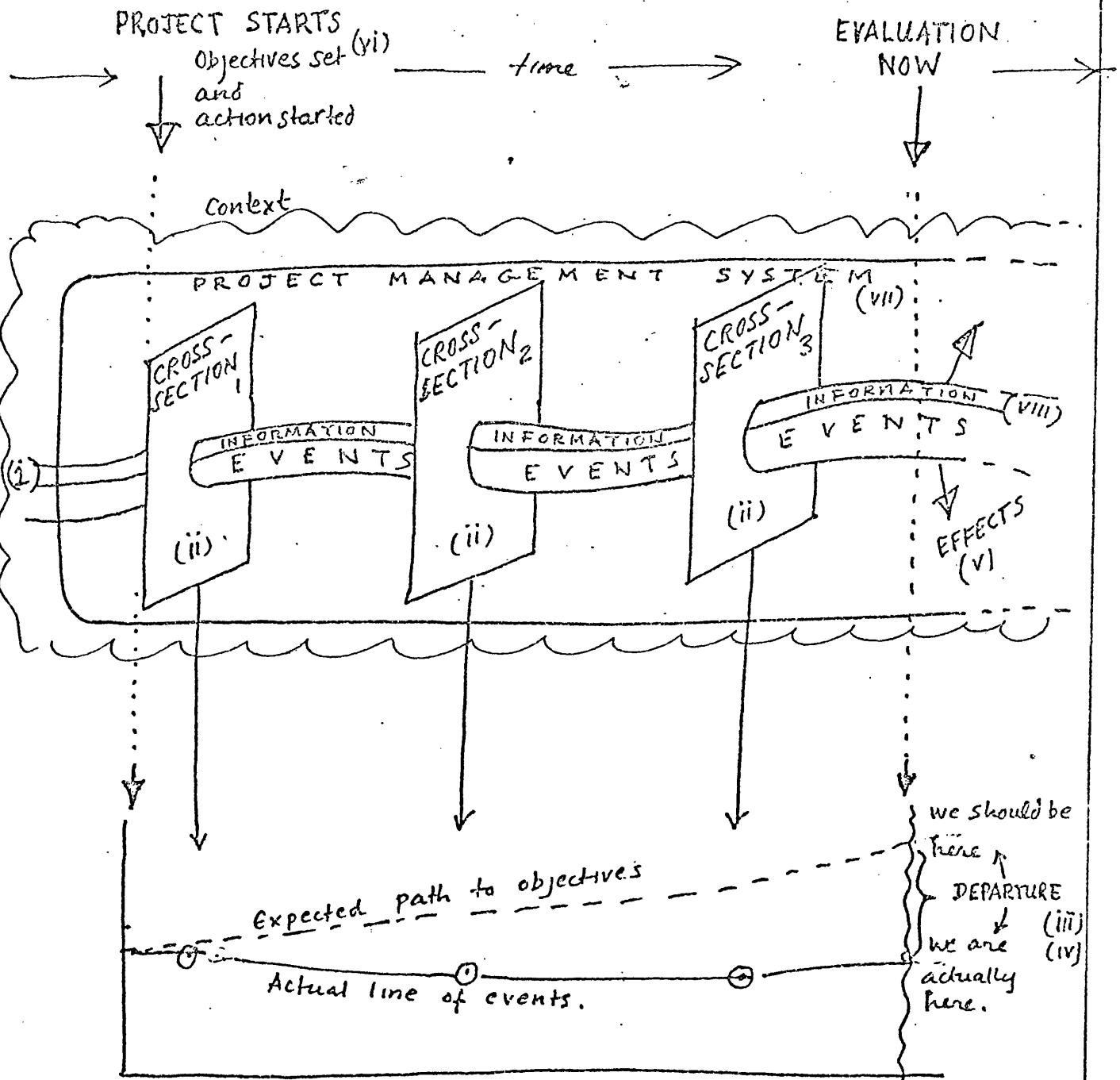
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1. There is one other par-value co-op in Edinburgh, the Lister Housing Co-op. This was set up in houses which were formerly privately rented, like most of the English co-ops.

be considered in relation to these aims.

First, it is necessary to define these objectives at the start of the project, as these are the goals which influenced the original policy decisions, although they will change over time in response to new information. The definition of goals at the outset is essential as one of the chief problems of a summative evaluation is attempting to evaluate initiatives against a set of criteria which are often not closely related to the original objectives, and also trying to assess these objectives in hindsight.

The second point is that the objectives of different groups may conflict, and consequently 'success' in the eyes of one group may not be so in the eyes of another. In this case, differing objectives may have to be ranked and the desires of one group given preference over those of another.

Thus it is useful to look in more detail at the objectives of some of the different groups involved in the COP and the priority they attach to these objectives. The next few pages outline their intent, an important stage in evaluation (Figure 22) - the expression of goals in relation to the problem and the formulation of specific aims.



Tasks.

- (i) Organize Information System
- (ii) Devise periodic cross-section Monitoring
- (iii) Compare expected with actual results
- (iv) decide significance of departure
- (v) Assess effects on the context. and (vi) form view about policy objectives
- (vii) Form view on the effectiveness of the management system.
- (viii) Assess efficiency of the Information System.

SOURCE: FORBES, Jean (1983), Evaluation of Bellarmine Environmental and Community Resource Centre, unpublished paper, University of Glasgow.

Unfortunately it is sometimes the case that tenants' views are the last to be taken into account. We have often replaced consultation with information, telling the tenants what decisions have been reached and what plans have been made, rather than tackling the problems that they feel are important and in ways that are seen to be relevant (Figure 23).

Fortunately in this case, the tenants have been involved in discussions from the beginning. Indeed, as we saw earlier, the impetus for the COP came from the tenants in that the proposals are a response by the council to the tenants' demands for action.

All the tenants interviewed seemed to have two main aims for a co-op in their area - first to improve the houses and the surrounding area, and second to create a sense of community. We will examine each of these in turn.

Physical improvement and repair of the dwelling is clearly an essential, especially in Broomhouse where they lack most modern facilities and in Ballantay, where all the vacant houses are at present uninhabitable. In Calvay Crescent, however, the problem is more one of the 'image' of the area, so much of the work to be carried out is external to the dwellings, such as landscaping and work on the fenestration of the buildings. Tenants were keen to point out that such improvements would create houses that residents will want to care for.

Several also expressed hope that vandalism would be reduced because parents will be penalised financially if their children persistently damage property.

The second aim, that of creating a sense of community in the area is more difficult to pin down. A number of different aspects are involved.

They were concerned that young married couples and elderly relatives were unable to get a house in the area, near to their friends and family. They also have plans to integrate old people into the community and are organising a type of informal home help system, whereby neighbours will run errands for older people and generally keep an eye on them. This type of mutual support is what many of the tenants see as a community. One member of the steering committee mentioned that living in such an area would be a good example to children, to teach them to care for others.

The co-ops at Ballantay and Calvay are particularly concerned to reduce vandalism, which has been a great problem. To this end they have plans to involve young people in the co-op and to run youth clubs and build play areas for children. However, the tenants are aware that these problems will not disappear overnight.

Another aspect of creating a sense of community concerns tenant involvement in running the co-op. Broomhouse is already dealing with some aspects of management and Ballantay is a tenant management co-operative, so the committees are well aware of the amount of work involved. This task of involving people is greater at Calvay, with over 350 houses, so the co-op has developed a system of close, block and street representatives. This question of community involvement will be discussed at length in the concluding chapter.

In conclusion, the general feeling among the tenants seems to be a desire to improve their area, to create decent homes at a price people can afford and to develop a community where people know each other and have a sense of pride in their place.

FIGURE 23: Tenant-Council Relations

	MANIPULATION	INFORMING	PERSUASION	CONSULTATION	DELEGATION
COUNCIL	Total control of tenants as well as estates	Inform tenants	Retain control but want tenants' goodwill	Retain control but some power is declared	Retain core power but many peripheral areas of responsibility delegated to tenants
TENANTS	Regulated	Informed	Persuaded	Consulted	Involved in working partnership

SOURCE: Short (1983), p.172.

The problem as seen by the officers and members of GDC was described in detail in Chapter 3. The physical problems of decay and obsolescence, dampness, high vacancy rates, etc. combined with the cutbacks in resources available to tackle these difficulties have forced the Council to think again about housing finance, management and maintenance policies, allocation policies, and so on.

Any new proposals also have to be politically acceptable to the Labour-controlled Council, which is strongly against any type of privatisation, whether it be council house sales or the sale of council land to private developers. For this reason, the Homesteading project, which appears to have been successful by many different measures, has not yet been repeated.

Initially there were some reservations among members who saw the COP as another form of privatisation. However, they were eventually persuaded that community ownership was 'socialism in action', an acceptable alternative to the private rented sector. This was largely due to the sheer momentum of enthusiasm that had built up among the various tenants' groups, encouraged by several committed officers and members, including Iain Nicolson (Chief Housing Officer, Community Ownership), Ronnie McDonald (Assistant Director, Private Sector) and Baillie James McLean, the Housing Convenor.

Eventually, reservations were overcome and the scheme in principle now has the full backing of the Council, although some of the details still have to be finalised.

Community ownership has been seen as a practical outworking of the Council's commitment to area management and to increased tenant

participation. The Council see community ownership as having a number of advantages. These are outlined in Figure 24.

FIGURE 24: Advantages of Community Ownership: the Council's View

1. It represents a further extension of the principle of effective management decentralisation.
2. It represents the ultimate form of tenant participation, providing a focus for resident involvement and action.
3. It directly fosters self-help, management responsibility and stabilises communities at risk.
4. It provides fresh employment opportunities in deprived areas.
5. There is no new claim on central government spending.
6. It may provide working examples of co-operative management leading to an improvement in local service delivery and the quality of life.
7. It will sustain the supply of improved property in socially rented tenures.
8. It will provide an infusion of funds from the private sector into areas of stressed public section housing.
9. It will benefit the current capital financing position of the remaining public sector stock.
10. It will allow non-Housing Revenue Account capital resources to be deployed and invested in multiply deprived areas.
11. It will reduce the Council's own recurring revenue expenditure and debt charges.
12. It will give tenants access to improvement grants, tax relief and Housing Benefit in a way no other tenure does.

SOURCE: Glasgow District Council Housing Department, November 1984.

With these advantages in mind, the Council have laid down the objectives of the COP as follows:

1. To direct capital housing allocations into areas of high stress.
2. To encourage more tenant control, participation and involvement.
3. To promote housing decentralisation.

4. To encourage self-help and self-reliance through co-operative housing.
5. To create local employment opportunities.
6. To gain access to private sector resources for the benefit of the public sector.

These objectives seem broadly similar to those of the tenants. Naturally the tenants are not particularly concerned about the source of the grant funding, but they do share the Council's concern with tenant participation, housing decentralisation, self-reliance and local employment. We will see in the next section that Central Government would also share these views - the disagreement arises over the first objective, that of directing capital resources into high stress areas.

3. CENTRAL GOVERNMENT

Glasgow District council have been in consultation with the Scottish Office throughout the past year concerning the proposals for community ownership. This is essential as the assent of the Secretary of State is required for the sale of the houses as they are not governed by the provisions of the Tenants Rights, Etc. (Scotland) Act, 1980.

It is difficult to assess the views of the Scottish Office on community ownership - this has to be judged from their correspondence and meetings with the District and from their more general policies on housing.

It appears that in general, the Scottish Office have expressed guarded approval for community ownership, which they see as "a most interesting and imaginative concept". The initiative is seen as having considerable potential for harnessing local energy and encouraging self-help, but there are some aspects of the scheme which give them cause for concern.

These are mainly related to the independence of the co-op once established, and the question of finance.

The SDD has expressed concern that the co-op should have total control over their own affairs, including such aspects as letting of contracts, appointments, management after the initial two year development period and winding up procedures.

Secondly, they are anxious that 'good value for money' should be obtained for any public sector finance involved in supporting the running of the co-op and assisting the improvement and repair of the housing stock, as grants attract Exchequer contributions. It is unclear as to what constitutes 'good value for money'.

Several areas of conflict between the SDD and GDC immediately come to mind: the disposal price of the houses; the District Council's desire to invest private sector resources in what they see as publicly rented houses; and the conditions governing the disposal of the co-op.

Concerning the disposal price of the houses - the DC wish to sell the houses to the co-ops at a low price in order to make the co-ops financially viable. They would argue that the concept of market value is useless in this case as the houses can only be sold to the sitting tenants who clearly do not wish to buy them in the present condition. The exception to this is Broomhouse, where one tenant has purchased his house. In this case, the high valuation of the dwellings set by the City Estates Surveyor may threaten the viability of the co-op.

It can be assumed that the SDD's concern about the full independence of the co-op, once established, is because they wish to ensure that this really is a form of owner occupation, not just a clever scheme to use private sector resources for publicly rented housing. The SDD wish the

assets of the co-op, should it be wound up, in the same way as owner occupiers.

However, the DC are concerned that the tenants should have no interest in the assets - after all, they have no stake in the equity and have only contributed a nominal £1 share for membership. Since such large sums of public money are involved in terms of grant aid, it seems quite wrong that tenants should be able to gain large amounts of money by winding up the co-op. At present there are proposals to alter the Minute of Agreement so that the Housing Corporation will decide on the disposal of any assets remaining after the discharge of any securities in favour of lending institutions.

Nevertheless, despite compromises by each party the main area of conflict between the District Council and the Scottish Office remains unresolved.

4. THE TRADE UNIONS

The main concern of the unions is to protect the jobs of their members. Initially there was some difficulty in obtaining the co-operation of the main unions involved: NALGO, the white collar workers union, the TGWU, the transport workers, UCAAT, the construction workers, GMBA, the boiler makers and EEPTU, the electricians and the plumbers. These groups were concerned that the proposals for community ownership were really privatisation in disguise and would threaten the jobs of their members.

Meetings were therefore held between the Unions, the Labour Executive and the community groups. These meetings led the Unions to conclude that if they continued to oppose the proposals they would be opposing the rights of the individuals and groups involved in the community co-ops and also

threatening the jobs of their members, in that some of the housing stock, if not improved, might well be demolished.

In addition, they were assured by Baillie James McLean, the Housing Convenor, that there would be no reduction in the existing staffing establishment as a result of Community Ownership.

Many comparable Housing Authorities have a much higher staff to houses ratio than Glasgow and a small reduction in the number of houses managed can help provide an improved service to the remaining Council tenants.

There are two particular areas of staffing that the unions are concerned about - the development staff and repair and maintenance contracts.

During the development period of two years, the Council intend to second staff to work as development officers for each co-op. These posts will be advertised internally at a salary grade of AP IV to POG I (i.e. £8,820 - £12,600) and will be appointed to Calvay, Broomhouse and Ballantay. In addition, a further three development officers may be required for future co-operatives at Possil, Priesthill, Southdeen, Ballindalloch and Cessnock during 1985-86. Several administrative posts for the co-ops are also to be filled internally.

The Building and Works Department of the DC will be given the opportunity to tender for all par-value co-ops as they do now for all tenant management co-ops and as they will have to do next year for the majority of housing maintenance.

However as we will see later, this may be a major source of conflict between the unions and the tenants.

In summary, the Council have put the following points in reply to the

1. The co-op's housing is for rent.
2. It would be improved with public money.
3. It would be both owned and controlled co-operatively by its members.
4. The general public and District Council tenants will continue to enjoy access to this form of housing through the Council's nomination policy. This would be enforced through the Minute of Agreement between the co-op and the Council.
5. The co-operative is a non-equity sharing scheme and the members lose both the right to buy and to sell.

These points seem to have convinced the unions and they are willing to let the proposal for community ownership to go ahead. However, it is interesting to note the way in which the COP has been presented to the unions as the ultimate form of socialism compared to the way it has been presented to the Scottish Office as a useful way of extending owner-occupation! This point will be discussed at greater length in the next chapter.

CONFLICTING OBJECTIVES

At the beginning of this chapter it was maintained that it was important to outline the intent of the various groups involved in order to see if these conflicted in any way. We have, so far, discussed the views of the four main groups involved in community ownership: the tenants, the District Council, the Scottish Office and the trade unions, and it appears there are several areas of conflict between these groups. Some of these have been discussed briefly and drawing on these points, it is useful to outline three main areas of potential conflict. These are the following:

political issues involved, particularly centred on the question of finance.

2. The tenants versus the trade unions on the question of jobs.
3. The tenants versus the Council on the independence of the co-ops, particularly on such management issues as allocation.

For the purposes of brevity the arguments on both sides have been simplified. Clearly these are complex issues and it is not possible to do them justice in such a short space.

1. Central Government Versus Glasgow District Council

The first area of potential conflict is between the SDD, the Central Government's representative and the District council. The source of the conflict is how each party views the COP.

Basically, the District Council see the co-operatives as an extension of the public sector. Tenants will be able to transfer between the co-op and the council sector if they so desire and time spent as a co-op tenant will accumulate points under the DC's allocation system. The Council are also retaining powers to nominate tenants to the co-op, which will be a source of great influence if they care to wield it.

In contrast, the SDD wish to ensure that the co-ops are as independent as possible, hence their concern over such matters as the letting of contracts, appointment of staff and so on. It may be assumed that the Scottish Office view the COP as a useful way of extending owner occupation into areas which are, at present, dominated by the public sector. Since it seems unlikely that any tenant in an area such as Ballantay should wish to

exercise the right to buy, even if he could afford to do so,^[2] community ownership provides a means for implementing the Government's commitment to privatisation.

Therefore we can see that the Scottish Office and the Glasgow District Council have completely different views about the nature of the scheme. The Scottish Office appears to see it as owner occupation while the DC view it as an extension to the publicly rented sector. The tenants will receive some of the benefits of both tenures, for example, they will receive improvement grants, interest relief **and** housing benefit.

This differing view of the tenure of the COP also affects the way in which the District Council think about financing the project. They have stated that one of the objectives is to gain access to private sector resources for the benefit of the **public sector**. They also see the scheme as a useful way of deploying capital housing allocations in high stress areas. These areas have been designated by the Council to allow the identification of housing schemes most 'at risk' through their unpopularity with tenants. The classification is based on three variables - vacancies, turnover and transfers out, supplemented by the local knowledge of area office staff. Both Ballantay and Calvay have been designated as Category 1, the most problematic.

Figure 3 (p.97a) shows the location of the pilot schemes and the reserve list in relation to the DC's Priority Areas. From this we can see that only one pilot co-op (Ballantay) and two on the reserve list (Southdeen and Priesthill/Nitshill) fall within these Priority Areas. However, the information on which the Priority Areas are based is now

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2. Only in Broomhouse has one tenant exercised the right to buy. This dwelling will be excluded from the co-op.

somewhat dated, and on the categorisation of Stress Areas, which is more up to date, the majority of co-ops fall within high stress areas. Therefore it does appear that the COP is in line with the Council's objective of directing investment into areas of need. However, it is less certain that this policy of deploying the non-HRA block to a form of public housing is in line with the Government's expenditure policy.

2. The Tenants Versus The Trade Unions

The second area of conflict of interests arises over the question of jobs. The unions have been reassured that staff will be seconded from the District Council for the initial two year development period. However, after that time the co-ops will have to employ their own management staff and there is no obligation on them to employ a member of the Council's staff. It is written into the Minute of Agreement that in the appointment of staff the co-op shall, all other things being equal, give preference to staff of the council with relevant experience. Such posts are to be advertised internally within the Council three weeks before advertising their availability to the general public. However, there is nothing to prevent the co-op from appointing suitably experienced staff from elsewhere, for example, the housing associations.

Concerning the letting of contracts for maintenance and repair work, the Council's Direct Labour Organisation will be able to tender for such work as they do at present for tenant management co-ops. However, this is only one of the three management options available to the co-op. In this respect, the Glasgow co-ops intend to follow the example of the housing co-operatives in Scandinavia.

A recent paper on co-operatives in Sweden[3] has outlined three models

of provision of management and maintenance in use there.

- (i) Self management, i.e. the co-op employs its own workers.
- (ii) Employment of private contractors.
- (iii) Buying of services from a secondary co-op.

Concerning the first model, it is quite possible that the co-op may choose to recruit staff who are resident in the local area, or even members of the co-op. After all, there are large numbers of skilled craftsmen unemployed in such areas and they would certainly have some advantages in terms of accessibility, speed of repairs and probably cost, over the employment of private contractors. Perhaps this is what the DC meant when it outlined one of the aims of the COP as 'creating local employment opportunities. However, this does come into conflict with the desires of the unions, although it seems unlikely that the loss of such a small amount of work would seriously threaten jobs.

The third Swedish model mentioned, that of buying services from a secondary co-op, may be a possibility in Glasgow. Such secondary co-ops, which provide all types of services to co-ops, are already in existence in London, for example the Society for Co-operative Dwellings (SCD), which operates in South London, Solon Co-operatives Services Limited for the north, and the Greater London Secondary Housing Association which acts as a consultant for setting up tenant management co-ops.

Such secondary co-ops combine professional experience and training and education courses in the aims and practice of co-operatives. These have

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- 3. Clapham, D. and Millar, M. (forthcoming), Housing Co-operatives In Sweden, Centre for Housing Research, University of Glasgow.

helped co-ops avoid the disasters of early days when financial and other resources were badly managed and when members did not appreciate the purpose of a co-operative 'as their own responsibilities'.

A type of secondary co-op is to be set up in Glasgow, formed by the existing tenant management co-ops, par-value co-ops and community trusts. The aims of this are to service existing and new tenant management co-ops and to provide a "pre-co-operative" promotional role and post-co-operative education. This group is to be called "Co-operative and Community Trust Services".

There are eight main task related issues which this support group is to co-ordinate. These are:

1. Constitution and Registration.
2. Improvement and Repair Contracts and Section 44 Agency Agreements.
3. Private Finance.
4. Financial Evaluation.
5. Financial Monitoring, Audit and Control.
6. Housing Management Agency Services.
7. Technical Services.
8. Training, Education and Promotion.

Thus it appears that this group will be able to take over much of the responsibility for managing the co-op. However, co-ops will be free to buy only those services they want, so they may choose to buy some and employ a worker to do others.

In Sweden, co-operatives appear to have been very successful in decentralising management and maintenance while still negotiating flexible working arrangements with the trade unions. Of course, this is helped by the structure of Swedish trade unions, which are wider in scope than

3. The Tenants Versus Glasgow District Council

The third possible area of conflict may arise between the co-operatives and the DC over the issue of how much independence the co-ops have.

Financially, at least in theory, they are totally independent, receiving no direct subsidy. However, as has been previously outlined in Chapter 5, there will be various forms of indirect subsidy, mainly from the DC.

The SDD have insisted that the co-op should be free to let contracts and appoint consultants as they wish and that all contracts let directly or indirectly should be put to competitive tender. However, in other issues such as the allocation policy, the DC has a large degree of control. When a house becomes vacant, the Council will present a list of nominees to the co-op who must select the new tenant from this list. The co-op are obliged to offer the tenancy of the house to a nominee of the Council before advertising it to the general public. However, the Council may not always take up this right, as has happened in the case of housing associations.

Some have voiced reservations that the co-op may discriminate against certain religions or ethnic groups, the unemployed, single parents, the ex-offender, the alcoholic, etc. However, this goes back to the question of the independence of the co-op. If the tenants do own and control their housing, then they have to be free to run it themselves, albeit within certain limits. There is an inevitable tension between the needs of certain groups for decent housing and the desire of tenants to choose who they see as 'decent people' for their neighbours.

How then will these tensions be resolved? Need they be resolved or is it possible for the co-op to function without resolution of these issues? One thing is certain: all the aspirations of each of these groups cannot be fulfilled, there will need to be compromise in several areas.

For example, if the council wishes to nominate all new tenants, the residents will find it difficult to allocate houses to members of their own family, such as the elderly or young married couples. Perhaps the Council will not take up their full nomination rights but reduce this to every second let, for instance.

On the more political issues, it is difficult to see how community ownership can be regarded at the same time as owner occupation by the Scottish Office and a new publicly rented sector by the unions and the District Council. However, as Donnison (1975) points out, innovations in social policy always bring the threat of conflict, but different interpretations of the situation, and different aspirations do not necessarily produce conflict, provided all concerned can satisfy their aspirations within the same general pattern of development.

He goes on to say that:

"if their objectives can be reconciled in this way, people with divergent views have a remarkable capacity for supporting.....developments whose purpose and significance they describe in very different terms. Conflict only begins seriously when different interests and aspirations cannot be reconciled in this way"
(Donnison, 1975, p.300).

This would seem to be the case here, that the tenants, the District Council and central government can all satisfy their major aspirations. The houses are to be improved in accordance with the tenants wishes without excessively high demands on the Exchequer, and if it is successful, both

central and local government should be able to make a little political mileage out of it.

CRITERIA FOR EVALUATION

Given that the major aspirations of all those involved are broadly similar - to improve the houses and to create a sense of community - how should progress towards these goals be evaluated? What criteria are considered relevant?

Physical improvement is much the easier to measure and quantify. The most obvious way to do this is to evaluate the improvement with reference to the physical problems of the area before the co-op was set up. These physical problems of disrepair, lack of amenities and so on have been well documented in the feasibility studies. Thus the area could be evaluated on such factors as the physical repair and improvements to the dwellings.

Other useful indicators might be:

- provision of new amenities within the area, e.g. shops, play facilities;
- environmental improvement;
- creation of defensible space, common areas divided up;
- reduction of physical problems within dwellings,
e.g. noise penetration
condensation and/or water penetration
provision of efficient heating system;
- an adequate repair service
- good routine maintenance,
e.g. regular repainting
grass cutting
landscape maintenance
refuse removal
litter collection;
- greater security, privacy and protection

Clearly 'a sense of community' is a very difficult concept to measure.

participating, both in the co-op and in the community at large. Perhaps a useful way of measuring participation would be a survey of the tenants to discover how much they feel involved in the life of their area.

This idea of participation seems to have two main dimensions - action and information. Action could be measured by asking tenants if they are, or have been, members of the committee or involved in community activities. Information concerns how much people know about the purpose of the co-op, its structure and formal organisation. However, we must bear in mind that some people will not participate due to other family or work commitments, while some may be involved in other aspects of community life apart from the co-op.

Participation also depends to some extent on the facilities available. Does the management structure of the co-op make it easy for people to get involved? Are there physical facilities available, such as shared utilities or a resource centre, to encourage involvement with one's neighbours? All these questions will be discussed in detail in the next chapter. At present we are only concerned with ways of measuring community life or community spirit.

Some other useful indicators might be the following:

- communal areas such as stairs kept clean and tidy;
- involvement of tenants in community projects;
- enough active people to run voluntary groups;
- waiting list for houses in the area;
- reduction in turnover;
- reduction in vacancies;
- reduced rates of vandalism;
- provision of social facilities, e.g. youth clubs, social clubs.

There are also many other advantages of 'a sense of community' which are difficult to quantify, such as a greater feeling of security, less fear of crime and so on.

Perhaps the most important advantage is the feeling of security and safety which is often associated with a sense of community.

CHAPTER EIGHT

CONCLUSION

PREFACE

In the last chapter we discussed the question of evaluation with particular reference to the aspirations and goals of the different groups involved and potential areas of conflict. We then went on to outline some criteria which might be used to evaluate the COP against the two goals which seem common to the main parties involved. These are the provision of decent, affordable housing and the creation of a sense of community.

In this chapter we will try to draw some conclusions from what has gone before, focussing on the issues raised by the pilot studies described in Chapter 6 and the problems of evaluation outlined in Chapter 7.

This thesis began by establishing the general context of public housing in Britain, describing the historical development of the sector and the influence of policies at a national level. We saw how the problems of the sector as a whole are manifested particularly clearly, though not exclusively, in DTL areas, and we reviewed some of the approaches to tackling such estates.

Against this background, Chapter 3 outlined the two-fold nature of Glasgow's housing problem, and in Chapter 4 we saw how Glasgow District Council has drawn on its experience of housing initiatives to develop a new model to improve public sector housing. This model was described in some detail in Chapter 5.

Having examined the model in theory, we then analysed how it will work in the three pilot study areas of Calvay, Ballantay and Broomhouse. In Chapter 7 we attempted to tackle the difficult issue of evaluation, taking into account the sometimes conflicting goals of the different parties involved. Chapter 8 brings together and reviews the findings of the case studies and discussed certain areas which need more investigation. The analysis focusses particularly on the future development of the COP and two features which are seen as crucial to its expansion, namely community action capacity and continued political feasibility.

However, before drawing conclusions about the future of the COP from our case studies, we must note the character of our evidence, the methods by which it was assembled, its limitations and likely biases. The most interesting material has been gleaned from informal discussion with the tenants about their aims for community ownership. There were also more formal interviews with officers and members of the District Council (a full list of those interviewed is given in Appendix 1). In such situations,

responses may be unguarded, subjective rather than objective and biased by memory and the individual's own perceptions and viewpoint. It is difficult to get an objective description of an ongoing social phenomenon which directly touches peoples' lives.

Nevertheless, such opinions have been considered valuable. After all, it is difficult for people to be unbiased and objective about **their** hopes for **their** area. The researcher's own perceptions, preconceptions and misinterpretations must also be taken into account.

A further constraint has been the need for confidentiality - it has not always been possible to identify the source of statements or reveal all the information discovered. Finally, there is the inevitable compression and selection of material forced by word limits.

Given all this, the following discussion makes no claims to vigorous analysis - it is by necessity very informal, relying heavily on casual observation and subjective judgements. As was previously stated, there are no similar examples of community ownership in Britain to help us think about the future of the project. The paucity of our evidence means that much of the following section can be no more than informed speculation.

THE IMPACT OF THE COP

It is useful to consider the possible impact of the COP on those in context. At present, the problems are only emerging, due to the newness of the field, so effort is being concentrated on getting things done rather than thinking through the implications of success. We will consider the impact on some of the groups involved in turn.

For the tenants there may be other spin-offs, apart from the obvious benefits of improving their area and gaining control. The activists, those

sense of their own capacity. It has been argued that the primary characteristics of disadvantaged communities is lack of self-esteem. As an individual participates, his degree of dignity and self-confidence should increase: the more he participates, the more he is able to do so. In addition, the success of the COP might lead to these people being given credibility by society at large.

The success of the scheme will certainly be a feather in the cap of Glasgow District Council. At the moment, a number of other housing authorities have shown an interest in the COP, enhancing the authority's reputation for innovation in housing projects. The scheme will also further the Council's policy of deploying capital resources in stress areas and will, according to the council, benefit the position of the remaining council tenants through more resources being made available.

However, if the COP were to expand to a large proportion of the council's stock, this might have an adverse effect on the remaining council tenants. In effect, community ownership might increase what has been described as residualisation. The expansion of co-operatives may lead to the development of a two tier publicly rented sector - co-operatives, with all the associated advantages, and traditional council housing. This may be seen as housing of last resort for those who have no choice, rather than at present, when it is the majority tenure in the city, at 57.1%.

THE FUTURE OF THE COP

There are a number of other tenants' groups on the reserve list who have already appointed consultant architects, accountants and lawyers and are waiting anxiously in the wings. If the pilot schemes are a success, those groups are prepared to set up their own co-ops. Thus there are

already plans to expand the COP from the initial 3 pilot areas. It may be useful, therefore, to consider the future expansion of the scheme and what factors may limit its spread.

It is suggested that the project will expand, but only to a minority of council housing. This is for two main reasons, community action capacity and continued political feasibility, which led to the development of community ownership in the first place and in future will partly determine its expansion. We will consider each of these variables in turn.

COMMUNITY ACTION CAPACITY

As was outlined in Chapter 6, the fact that the COP has come this far is largely due to the commitment of the tenants' groups involved. For many members of the steering committee, the development of the co-ops has been a full time job for the last 15-18 months. The group at Ballantay, for example, man their office for four hours every day, which represents a major commitment from such a small group of residents. At Calvay, only two of the ten steering committee members are in part time paid employment, the others are all unemployed, as they are at Ballantay. Many of those people attend several meetings every week, write letters, answer telephone enquiries and so on, despite domestic and other responsibilities.^[1]

Thus it would appear that with the present model, a great deal of (unpaid) time and effort is required from tenants groups committed to setting up the co-opeartives. Hopefully, this workload will decrease when a development officer is appointed to each co-op. However this may be a limiting factor on the expansion of the COP, as any potential co-op would

1. At Broomhouse the position is slightly different as the co-op employ a part time administrator, Mrs. Beth Reilly.

have to have individuals both able and willing to give their time.

It is unlikely that any person in full time employment could give this amount of time to setting up a co-op: it is significant that no member of the steering committee is at present in a full time job. Therefore it could be argued that a potential co-op is more likely to be in an area where there is a high level of unemployment.

As well as having the time, an individual must also be willing to devote time to setting up a co-op. This is perhaps a more significant point. The impetus for community ownership has come from tenants who are dissatisfied with their present housing conditions, who are keen to run their housing as they feel it cannot get any worse! There does not appear to be the same interest in the scheme from tenants in well run, pleasant estates. It may well be that the COP has engendered such a response from tenants groups not because of their innate desire for participation but because of the failure of the DC to tackle the problems of their area.

Thus it appears that for a co-op to be set up, there must be a tenants group who are both willing and able to put in the work involved, and also who see the need for such a scheme in their area. However, so far we have only discussed the initial stages of setting up the co-op. For it to succeed in practice, and to achieve its aim of "creating a sense of community", the ordinary members also need to participate.

This notion of participation is central to the creation of community - the opportunity to be involved in controlling one's own environment and having some degree of self-determination. It has been argued that participation has an integrative function, generating a feeling of belonging. Without participation, the role of landlord may be recreated, along with its concomitant relations of dependency. Non-participating

members may attempt to invest this role in the committee and the committee may organise the system to sustain their power and resist change, creating alienation, distrust and tension

THE ROLE OF THE COMMITTEE

Though the role of the landlord or owner is abolished, some formal structure is necessary simply to get things done, if total direct democracy is not possible. It is envisaged that the co-ops will be run by a democratically elected management committee, who will appoint their own staff, or buy services as necessary. The amount of autonomy held by the committee and the rights and duties of members will be outlined in the Model Rules of the Co-op.

However, the committee may experience a tension in their role as both managers of property and as consumers of the services the co-op provides. There may also be a conflict of interests over which community they serve - their network of friends and relations, the co-op as a whole or the wider community. It may not be possible to prevent certain interest groups gaining control. After all participation can be interpreted in a number of ways. Self-help can be seen as a way to justify an individual improving his position at the expense of others, while community control may provide a cover for religious, ethnic or class discrimination.

The sheer volume of decisions that have to be made, and the increasingly technical issues involved may lead the ordinary member to become dependent on the committee. Alternatively, the co-op may become over-reliant on their professional staff and delegate the decision making to them.

Another potential development is that over time, the committee may

begin to reflect a housing management view of the area, and in the process become alienated from the membership. Certainly it does appear that the steering committees of the Glasgow co-ops have become much more sympathetic to the views of the DC since they have been involved with them during the development period. Perhaps this is due to the rapport that has developed with some of the officers involved and that the tenants have come to realise some of the constraints faced by the Council.

NON-PARTICIPATING MEMBERS

Genuine co-operation lies in the active participation of all members. The factors which influence participation are many: an explicit belief in democracy, loyalty and affection for the area, length of residence in the area and strong local connections. However, while some members may be unable to participate, due to other commitments or ill health, others may be unwilling. How far does the 'average tenant' wish to participate? Is he happy to leave it to others if it is done properly? Can you force people to participate?

SUMMARY

The development of the co-ops so far leads one to the conclusion that co-operation has been essentially pragmatic rather than idealistic. For the initiators, the co-operative is seen as a convenient way of achieving their aims, rather than an end in itself. The nature of the scheme has led to a concentration on the practical issues of rehabilitation, rather than the philosophy of participation.

So far we have argued that a group of committed tenants is needed to set up a co-op, and tenant participation essential for it to be a success in terms of its declared objectives. There appear to be two aspects of

participation which are critical for the success and future expansion of the co-ops.

First, there is the need to sustain the level of commitment. Similar projects elsewhere have shown a decline in interest after the buildings are rehabilitated. The group unite to fight the common enemy but do not remain together once it is defeated. There is a need, therefore, to promote a participative style and to generate a debate which will involve as many people as possible.

Second, what will happen if the aspirations for the project are not met by the reality of people's behaviour? To an extent, the arguments so far have been environmentally deterministic - better houses will lead to better people. However, some problems, such as vandalism will not go away. The co-op may in effect, merely relocate the place where the debate goes on. What will happen to the people who are disadvantaged under the present system - the single homeless, the alcoholics, ex-offenders, ex-mental patients and so on. Will they be offered houses by the co-ops, or will they merely be confined to an increasingly smaller, more residualised public sector?

CONTINUED POLITICAL FEASIBILITY

At the beginning of this section it was maintained that two considerations would affect the future expansion of the COP. We have, so far, discussed only one of these, namely community action capacity. The other consideration concerns the continued political feasibility necessary for the project's expansion.

The continuation of the COP is dependent on the approval of the Scottish Office. The permission of the Secretary of State is needed for many aspects of the scheme, such as the sale of the houses, and the DC are

still awaiting borrowing consent for an additional £5m for 1985-86 to help fund the co-ops. Thus the scheme could not expand without SDD approval, or for that matter, the approval of the District Council members or the trade unions.

This notion of feasibility is an elusive concept, involving several different ideas. The work of Hall et al (1975) was found to be of value in developing this line of thought. They outline several aspects of feasibility which appear to be relevant in this context.

First, feasibility is not independent of who does the judging. Particular ideologies will affect the kinds of conclusions drawn about feasibility, and actors in the policy making process are likely to assess feasibility differently as they are aware of different sets of constraints. For example, the trade unions, whose primary concern is safeguarding the jobs of their members, will have a very different conception of the feasibility of expanding the COP from the tenants' groups on the reserve list.

While this may seem self-evident, it answers the question as to why the COP was not implemented before. Constraints change over time - such a project was previously unnecessary as local government had adequate funds to tackle public housing problems.

The second point made by Hall et al is that feasibility is rarely immediately apparent - consequences will be estimated and modifications made. This particularly applies to resources: a solution which requires less rather than more expenditure will be preferred, as will one which distributes additional costs in ways which do not concentrate them on the Exchequer. This is an important point for the expansion of the COP. At present Glasgow District Council are seeking an additional borrowing

consent of £5m from Central Government. While this can be viewed as a one-off payment, in that there will be no recurring charges for repairs, maintenance and management, the sum involved would increase substantially if the COP was to expand. Perhaps this would lead the Scottish Office to reconsider the feasibility of the project.

Hall et al also develop the concept of issue characteristics. These determine what increases feasibility; factors which affect the overall "image" of an issue and which more specifically influences its fortunes. These are particularly useful to illustrate the way in which community ownership gained political feasibility and how this would be influenced by its expansion.

(1) Association and Scope

Few issues remain unrelated to others - problems are linked and one solution overlaps another. Successful pressure group activity is often the result of an ability or an opportunity to present an issue together with or separate from other issues. For example, when the members of GDC were initially apprehensive about community ownership, it was presented to them by the Labour Executive as part of the long history of socialism which goes back to Robert Owen. In this case, the strategy of extension was successful.

(2) Crises

The concept of crises is useful in accounting for the relatively sudden and prominent attention paid by government to certain issues. In the case of Glasgow's housing problem, the members of the Council have used the media to try to bring public attention to the crisis of disrepair in the City's housing stock. The recent issue of Housing Plan VIII in late

While crises typically arise from episodes or events, they can, as in this case, be generated by redefinition or discovery of an existing situation or identification of an emerging trend.

(3) Trend Expectation and Prevention

Housing disrepair is clearly an issue which, if not attended to, will become more acute and urgent; it is cumulative and progressive. Such issues which can be shown to be growing more pressing, can gain priority **before** a crisis is reached, as a form of prevention. In particular, estimates of rising costs can be regarded as issues in themselves.

In the case of community ownership, the proposals can be viewed as precautionary or preventative, to prevent a bad situation becoming worse. This appears to have been one factor which influenced the trade unions to give their consent to the scheme - otherwise some of the houses would have been demolished.

(4) Origin

Issues do not arise spontaneously - they are formulated by particular groups or individuals. This is true of both problems and solutions, hence it is important to know whose issue it is. An interesting point about the development of the COP is that it is difficult to find the origin of the idea. The tenants say the Council suggested it, while the Council say that the impetus came from the community. However, this is to its advantage. When issues are closely identified with one group or political party, this obviously assists them while that party is in power but obstructs them when it is in opposition. In this case, community ownership has become associated with both political parties and each see it as fulfilling some

of their objectives.

(5) Information

The extent to which an issue's existence or urgency can be substantiated by acceptable facts has a particular impact on its progress. Many of the facts involved in the COP are numerical; facts about problems of decay and dampness, vacancy rates and turnover. They are seen as particularly authoritative as they come from an accredited source, local government. They also show the indisputable failure of an existing policy in attaining publicly stated objectives.

(6) Ideology

The criteria of feasibility is interpreted in ways that reflect ideological convictions. For an issue to accord with the prevailing ideology of a party in power improves its likelihood of gaining priority. One important aspect of the COP that has contributed greatly to its political acceptability at all levels is the way that it changes complexion to suit the prevailing political climate. It can be seen as all things to all men. To Conservatives (in this case Central Government) par-value co-ops can be seen as self-help, a form of collective ownership which helps to extend owner-occupation to lower income groups. Hence the name chosen, community ownership.

To socialists, in this case the District Council members and the unions, it has been presented as grass roots socialism, an acceptable alternative to the private rented sector. If nothing else, this is certainly diplomacy! However, the fact that the scheme appears to be politically acceptable to all shades of political opinion suggests that the simple categories of traditional socialism and traditional conservatism are

outdated. In this case they appear to be obscuring the real issues and misleading the contenders on both sides.

SOME CONCLUDING REMARKS

This chapter has attempted to outline some possible future developments of the COP and the factors which might influence this. We have examined the limitations of community action capacity and tenant participation. These are important areas for the tenants involved and may well determine the success or otherwise of the scheme.

In addition we have discussed some aspects of the way in which community ownership has gained political feasibility and how this is necessary for its continuation and expansion. It is possible that as the scheme develops, the feasibility could change. For example, if the co-ops remain under the control of the District Council, the Scottish Office could withdraw funds. At present the issue appears to occupy the uneasy position of sitting on the political fence. In the future, either the Scottish Office or the trade unions could withdraw their support, preventing any new co-ops developing.

The future of the scheme may also be influenced by factors outwith the control of local government, such as changes in national housing policy. For example, if the distinction between the HRA and the non-HRA blocks was changed in Scotland to bring it into line with England, this would alter one of the main raison d'etre of the co-ops.

For the present, therefore, these must remain interim conclusions. Only in the light of future experience can any firm conclusions be drawn about the success of the Community Ownership Programme in tackling the problems of some of Glasgow's high stress housing estates.

APPENDIX: INTERVIEWS

City of Glasgow District Council Housing Department

Iain Nicolson
Duncan Sim
Jane Brook
David Webster

Calvay Crescent Steering Committee

Frances McCall, Chairperson
Wilma McLachlan
David Swain
William Blain, Vice-Chairperson
Pat Phillips, Treasurer
Marion Smith
Anne Anderson
Robert Kelly
Billy McIlroy
Jean Blair

Ballantay Steering Committee

William Russell, Chairperson
Mrs. Russell
Mrs. O'Neil
Mrs. Stewart, Secretary
Mr. Tevan
Mrs. Tevan
Mr. John Russell
Mrs. Susan Lee
Mrs. Valerie Smith

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