



PUBLIC PETITION NO.

PE01444

Name of petitioner

Florance Kennedy

Petition title

Mutual repairs incentive scheme

Petition summary

Calling on the Scottish Parliament to urge the Scottish Government to provide incentives for mutual repairs on tenement properties and to make representations to the UK Government regarding the VAT in order to encourage tenement property owners to undertake repairs and preserve the traditional housing stock of Scotland's inner cities for generations to come.

Action taken to resolve issues of concern before submitting the petition

Since 2010 when it became obvious that our B listed tenement building in central Edinburgh would require substantial and expensive repair work, I have written to the Chancellor of the Exchequer, contacted Historic Scotland, Edinburgh Council and councillors, MSPs and the MP for the property with which I am connected to draw attention to the plight of tenement owners faced with high repair bills.

I received a standard reply from Downing Street which did not appear to recognise the problem. Historic Scotland confirmed that VAT on repairs to listed buildings is a longstanding issue and suggested the petition. Edinburgh Council is grappling with the overall problem internally and cannot respond meaningfully. Councillors and MSPs were unable to grasp the VAT issue as it is not within their remit but also suggested the petition. The MP has responded and is on board.

I have also contacted The Scotsman and Evening News. Once there is a petition to sign I hope to create national interest in the issue but I can't push them until I have a concrete story to offer.

No grant funding that we have been able to identify is currently available for such repairs. Historic Scotland could at best offer a loan. Lottery funding requires public access. All avenues were explored by the owners' association.

Petition background information

A significant proportion of the housing stock in Scottish cities consists of stone-built tenement blocks of at least one hundred years of age. These properties are generally well-built and essentially sound. However, erosion of the sandstone used in many of

these properties is becoming a significant problem, with an estimated reparation cost of £1 billion in the coming years (Scottish Stone Liaison Group, Scotland on Sunday newspaper, 18 April 2010 <http://www.scotsman.com/news/163-1bn-repair-bill-for-crumbling-tenements-1-1366036>). Deaths from falling masonry have occurred and city councils are grappling with the practical aspects of dealing with such a substantial problem but in most cases the actual cost of repairs falls to the owners. This can run into many thousands or even hundreds of thousands of pounds. At the moment, only councils are exempt from VAT on such repairs and they are overwhelmed by the size of the problem while housing associations, owners and factors get no encouragement to organise repairs themselves.

I believe that a concerted approach is required by all Scottish council and government representatives to raise awareness of the problem at Westminster. England does not have the substantial tenement landscape of Scottish cities. I know that the scale of the problem has been acknowledged and written about occasionally in the press, but I have seen no evidence of any substantive political attempt to change the status quo despite problems in Edinburgh that have led to the complete breakdown of non-emergency repairs amid accusations of bribery and overcharging - a new process within Edinburgh is not now expected until 2013.

I hope that this petition will raise support for action to be taken, although any success is likely to be far too late for our own project, now under way at a cost of £200,000 plus VAT.

A substantial proportion of the costs involved in tenement repairs carried out by owners is the VAT which is currently levied on all such building repairs, even those on listed buildings. VAT is outwith the remit of the Scottish Government but the effect of VAT on Scottish housing repairs is so crippling that the issue should be raised at UK level. A preferential VAT rate for building work on mutually-owned properties (or even VAT exemption on repairs to listed buildings) would help counter-balance the problems being encountered by a large proportion of the populace of Scottish cities, and promote the preservation of the housing stock for generations to come.

If VAT concessions cannot be achieved, some other incentive is required to get owners acting to preserve our traditional housing stock. In the event that no change to UK legislation can be brought about, perhaps the Scottish Government could provide grant aid or subsidy to match at least the VAT on mutual repairs, if necessary by using its tax powers to generate income for this particularly Scottish problem.

How many properties in the major cities of Scotland are crumbling because the cost of maintaining them is beyond the owners? We have been unable to identify any available grants whatsoever, even for a listed building in a heritage area. What chance do ordinary tenements have?

Unique web address

<http://www.scottish.parliament.uk/GettingInvolved/Petitions/mutualrepairsincentivescheme>

Related information for petition

Do you wish your petition to be hosted on the Parliament's website to collect signatures online?

YES

How many signatures have you collected so far?

0

Closing date for collecting signatures online

01 / 11 / 2012

Comments to stimulate online discussion

I think incentives are required to encourage tenement property owners to undertake repairs in an organised and timely fashion. At the moment, only councils are exempt from VAT on such repairs and they are overwhelmed by the size of the problem while housing associations, owners and factors get no encouragement to act. There are no grants available. Something needs to be done before our inner cities crumble beyond repair. If you agree, please add your name to the petition.