

KILL the HOUSING BILL

SECURE HOMES FOR ALL

Why we must stop the Housing and Planning Bill 2015

The 'Kill the Housing Bill' campaign is an alliance of tenants of all tenures, housing workers, MPs, traveller groups, Councillors and trade unions concerned at the threat posed by the Housing and Planning Bill. This Briefing explains what is wrong with the Bill and argues for an alternative approach to create secure homes for all.

This campaign

is supported by Defend Council Housing, Camden Assembly of Tenants, Tower Hamlets Tenants Federation, GMB Union, NUT-London Teachers Housing Campaign, Camden LG, Cambridge City and other Unison branches, Unite Housing Workers, the Green Party, John McDonnell MP, London Gypsy Traveller Unit, Islington Hands Off Our Public Services, Islington Private Tenants, Kirklees Federation of Tenants & Residents Assoc (trading as Communities Who Can), Leeds Hands Off our Homes, National Bargee Travellers Association, Radical Housing Network

Contact us

Facebook: [Kill the Housing Bill - secure homes for all](#)
Email c/o info@defendcouncilhousing.org.uk Phone 07432 098440

IMPORTANT NOTE: This briefing was updated end-2015, but note Government is constantly changing the content of the Bill by late amendments, introduced without consultation, proper scrutiny or debate inside and outside parliament.



'I've tried three times to get an appointment with Zac Goldsmith [my MP] to discuss this. I'm 60 years old, a disabled single person, full-time employed, earning over the £40,000 London limit. I've lived in my flat for 28 years. It appears the Government is asking me to stop work or 'pay to stay' with no benefits. How does this help disabled people return to work?' Housing association tenant, London Borough of Richmond

Overview

David Cameron said in 2010:

'We support social housing, we will protect it, and we respect social tenants' rights.' *Inside Housing*, 30 April 2010

We demand the Prime Minister keeps his promise and lifts the threat currently facing four million social renters and families, and the prospects for anyone wanting a secure, really-affordable home in the future.

The Bill proposals would fundamentally undermine future housing. It proposes to:

- Sell 'high value' council homes directly on the private market
- End lifetime Secure Tenancies
- Introduce Means Testing for Council and housing association tenants
- Effectively end direct government investment in new social rented housing

The government is proposing to make these changes during a housing crisis in which, according to Shelter:

- Home ownership is in decline as prices spiral beyond the reach of people on low or moderate incomes, particularly those aged under-35.
- Housing costs for all tenures are rising and pushing many to their financial limit.
- More people are renting privately because there is no alternative; rents are often more than 50% of tenants' income and one third of homes fail to meet the Decent Homes standard.
- Homelessness has risen to 50,000 households (many with children) a year and 2,000 people a year sleep rough.

1. Loss of existing Council and housing association rented homes

• The Bill will reduce existing and future social housing by compelling Councils to sell off 'high value' homes on the open market when they become empty. The proceeds from these sales, or an equivalent levy, will be used to refund housing association for the cost of Right to Buy (RTB) discounts. This means the loss of at least two homes for rent, for every extra RTB, and will discourage new build for rent by councils or housing associations.

• Housing associations are and have for decades been private-sector organisations (despite recent Government threats to change this). It is legally questionable for Government to force the sale of publicly-owned assets to subsidise private sector housing associations.

- As an example of the potential loss of existing homes, 26,433 social rented homes are at risk in Islington, a borough with 18,000 households on the housing waiting list.
- Homes lost are unlikely to be replaced; there are no guarantees of like-for-like rents and tenancies, or that any new homes would be in the same locality. Since 2012 only one in ten homes sold through RTB has been replaced.
- As UNISON trade union says in its response to the Bill: **'...the forced sale of council homes to fund RTB will lead to an 'unprecedented' loss of council homes, if extra funding is not provided to replace them [g]iven that the Government's 2012 commitment to 1-1 replacement of stock sold under council RTB has not been met...'**

2. Secure Tenancies

The Bill would phase out secure tenancies and replace them with 2-5 year *fixed-term* tenancies, after which tenants would have to reapply. Relatives living with the tenant would lose the right to remain and take on the tenancy if the tenant dies or gives it up. Tenants 'decanted' due to demolition and redevelopment except for management (not voluntary) transfers, and women escaping violence would lose secure tenancies when they move.

A 'secure tenancy' means the Council landlord has to prove the grounds for eviction, and that taking possession is 'reasonable'. Replacing this with a fixed term tenancy would give local authorities the power to enforce life-changes and evict people who have done nothing wrong. This would introduce instability, undermine independence and make tenants fearful for the future.

Fixed term tenancies will produce transient communities instead of stable ones. Tenants will not continue to devote time, effort and money to home upkeep and improvements on temporary homes. Community and family ties, caring for relatives and other volunteering traditions will all be undermined.

Ending 'secure tenancies' would further transform Council housing and Housing Association homes into a fixed-term, means tested tenure solely for the poor. 'Secure' council tenancies have been under attack since council tenants won them in 1980. Professor John Hills explicitly rejected this pressure at the launch of his 2007 report *Ends and Means: The future roles of social housing in England*:

'If you came with the impression that I was going to be recommending the ending of security of tenure, or that tenants if they're lucky enough to improve their circumstances will be thrown out of their homes, then you're going to be disappointed... security and stability are a fundamental part of their lives.'

‘Ultimately, it will push more homeless families into the hands of private landlords and push up the benefit bill’.
Hackney Council lead member for housing Philip Glanville



3. Homes we can afford

- Housing costs are becoming unaffordable for all tenures. The Bill does nothing to change this. On the contrary, it would push rents up to market or near market levels for more Council and housing association tenants by making them ‘Pay to Stay’.
- Government continue to peddle the myth that social housing tenants are subsidised. This is not true. Council housing produces a surplus which Treasury continue to siphon off through the extortionate debt settlement imposed on local authority housing revenue accounts in 2012.
- As John Healey MP and John Perry (Chartered Institute of Housing) have written:
‘Public spending on social homes pays for itself. Every £1 invested in social housing pays back £1.18 into the public purse over 30 years because of lower housing benefit payments.’
- The Means Test changes would push more social housing tenants into poverty. For example, a couple with joint-income of £40,000 in the London Borough of Islington renting from the Council would see their current £152.60 a week forced up, index-linked to the current market rent of £644.50 a week (83% of their total income)! This is an unjustified tax on working households and a disincentive to increase earnings.
- The Bill contains no measures to control private rents which rose by 2.5% last year (3.8% in London). The most recent English Housing Survey found that, on average, private tenants pay 40% of their income on rent (substantially more in London).

4. Damage to Mixed Communities

After the Bedroom Tax and benefit caps, the Bill will do even more damage to our communities by:

- Ending secure tenancies.
- Opening more homes up to the speculative housing market and the insecurity of private renting.
- Forcing more people off Council and housing association estates because they can’t afford to stay.
- Discriminating against Gypsies and Travellers by reducing permanent sites.

Council housing was never envisaged as a tenure for the poor: before the 1957 Rent Act, private rented accommodation tended to be cheaper than Council house rents and in some areas still is. Council estates began as very ‘mixed communities’, a cross section of working people. The shortage of housing since 1980 meant a concentration of those in most need: the elderly, disabled people and single parents. This failure to invest in new homes, and increasing poverty, were the result of Government policy not housing tenure.

5. Unworkable

Ministers who claim to be defender of ‘individual liberty’, propose to give Councils *power to intrude into the lives of tenants as never before*; the power to impose a means test on people who pay full rent; the power to poke their nose into our financial affairs; the power to move people from property to property *without their agreement and against their will*.

Many landlords agree, in public or private, that the Bill could be impossible to implement.

It may not be legal to force the sale of public assets (council homes) to subsidise private businesses (housing associations).

Further loss of council and housing association homes, will mean higher housing benefit bills to pay soaring private rents, more homeless households and families in bed and breakfast and other unsuitable temporary accommodation.

Tenants will resist any rehousing which means loss of secure tenancy. This would hit any redevelopment, major improvement works or downsizing. Women would lose secure tenancies in a managed transfer to escape violence at home.

Means Testing for ‘Pay to Stay’ would involve new, legally and practically untested and uncosted procedures.

Council and HA tenants have never been required to disclose their incomes to their landlords and there is nothing in their existing contractual relationship/tenancy agreements to require them to do so. Legal challenges are inevitable. How is the information going to be collected and who by?

If HMRC is involved, how will this work at a time when tax offices are being closed? How will tenants challenge HMRC decisions?

Are there implications for Data Protection and confidentiality? What happens when a household’s income changes?

An entire bureaucratic procedure will need to be established, and like the Bedroom Tax, could easily end up costing more to implement than it will supposedly save. At an estate level, ‘Pay to Stay’ could be very damaging to community cohesion, fuelling resentments and prejudices and a divisive atmosphere.

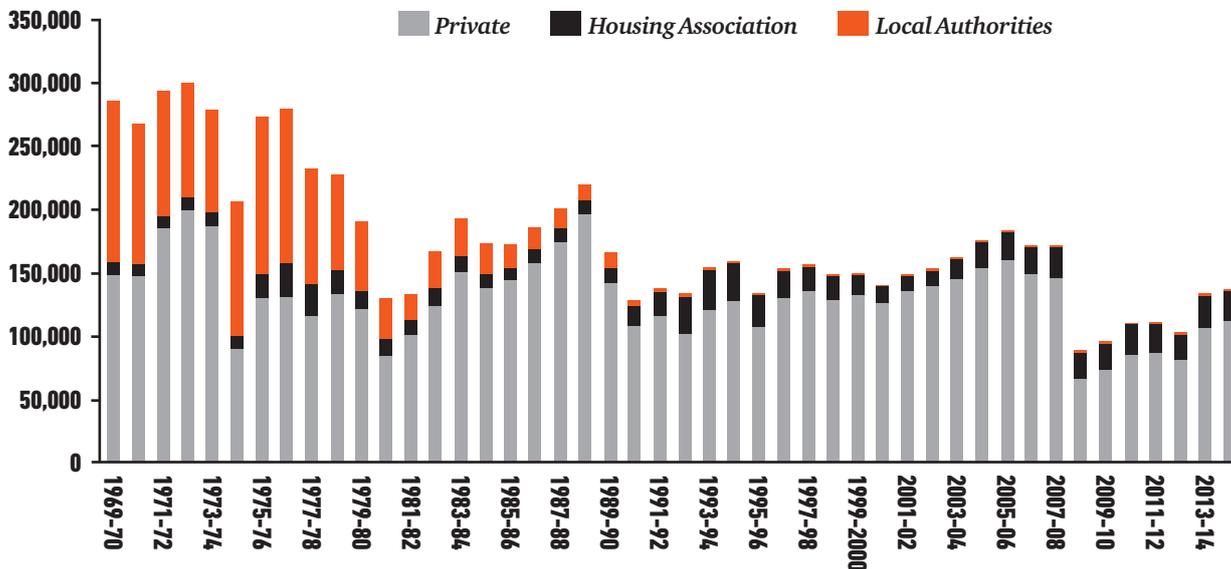
6. Supply of Council/social rented homes

- The main cause of the housing crisis is a chronic under-supply of new homes, particularly affordable homes for rent. After a steady decline of new homes built since the early 1970s, there was a dramatic fall in 2008 – 2009 in the aftermath of the financial crisis triggered by the instability of the speculative >>>



‘There’s no solution to the housing crisis that doesn’t start with council housing.’
Jeremy Corbyn MP,
leader of Labour Party

‘I live on a local authority site in Newham [east London]. I am the mother of two children; both my children have spent their whole life on this site. If this law gets passed, my children will not be recognised as Gypsies, and the Government will not have to provide pitches for their future. They will be seen as settled because they have lived on a site their whole life. My children would like to keep their tradition of living on a site.’ Tracie, a Romany Gypsy



Source: House of Commons Library Briefing Paper no. 07331, October 2015.

>>> housing market. There has been a partial recovery since, but completed new homes have still failed to reach pre-2008 levels.

- New Council house building has virtually stopped. Local authorities built almost 50% of new homes in 1970, but almost none in 2014. Since the early 1970s housing associations have built only a small fraction of those previously built by local authorities (see table above).

- With the dramatic cut in overall government funding for new homes, Section 106 agreements (‘planning gain’) have become the source of funding for almost 50% of new ‘social’ rented housing, but that amount is reducing. According to the Joseph Rowntree Foundation (July 2015): ‘In 2013–14, 16,193 homes in England were completed through S106 (37 per cent of all affordable homes) compared with over 32,000 in 2006–07 (65 per cent).’

- The Bill will further reduce homes built under S106. It proposes a ‘dramatic shift’ in policy by allowing private developers to obtain planning permission by building ‘Starter Homes’ instead of social rented homes. This will reduce the number of non-market homes for rent, increase developers’ profits and switch government funding from rented homes to subsidising 20% of the cost of Starter Homes.

- Starter Homes will not increase home ownership for those on low and median incomes. Property consultants Savills calculate a couple on median income would struggle to afford a Starter Home in 48% of local authority areas, even with a 20% discount.

The Alternatives

This Bill would be a disaster if implemented. For the huge section of the population struggling to meet their housing needs, this Bill offers nothing. For that reason we need to highlight the massive failings of the Bill and oppose its proposals.

We demand a solution to the housing crisis that ensures every citizen can access a decent and secure home we can afford. And we need to do it now.

The attack on secure, really-affordable housing for rent is an expression of contempt for ‘social housing’ tenants.

Genuinely affordable housing is a necessity for a stable life. ‘The market’ will not provide it. Subsidy to developers, lenders and private landlords continue while Ministers remove investment in sustainable housing for rent.

Alternatives to create the homes we need include:

- Regulation of Private Renting with standards for repairs and controlled rents; end retaliatory and no-fault evictions;
- Stop demolition of structurally sound council and housing association homes
- More moorings and sites for barges, gypsies and travellers
- Lift the Bedroom Tax and welfare caps
- Housing associations to be more transparent, open and accountable
- Write off unjustified housing debt to allow building of new council housing:
- 50% ‘social rent’ homes on all housing development, and 100% on publicly-owned land
- A national housing strategy and emergency building programme targeted to meet identified need.