

Reclaiming social rents - facilitated by Sharon Hayward, LTF and Jerry Flynn, 35% campaign: This workshop will look at: (i) ongoing fudging of the differences between social and affordable rents, (ii) increases in rents as well as HB levels since 2002, (iii) differences in new and existing social-rents and (iv) what principles do we feel should be applied in setting social rents and determining affordability?

Information and discussion:

Rent levels (2002/17): Rent restructuring, 2002, aimed at convergence of council and housing association rents (by 2012) and for rents to reflect the things that tenants valued in their homes. Convergence had not been achieved by 2012, but coalition government extended to 2015. The impact in London was: a widened gap between council and housing association rents; formula rent still being 50% higher than existing council rents and 30% higher than housing association rents. Since 2002 average council rents in London have risen by 70% and HA rents by 92%. Median income levels have risen by only 7.2%. The increases in HB that came about as a result of rent increases resulted in Government setting a minus 1% increase in rents for four years.

Fudging of social and affordable rent homes and issues of different rents for existing and new tenants:

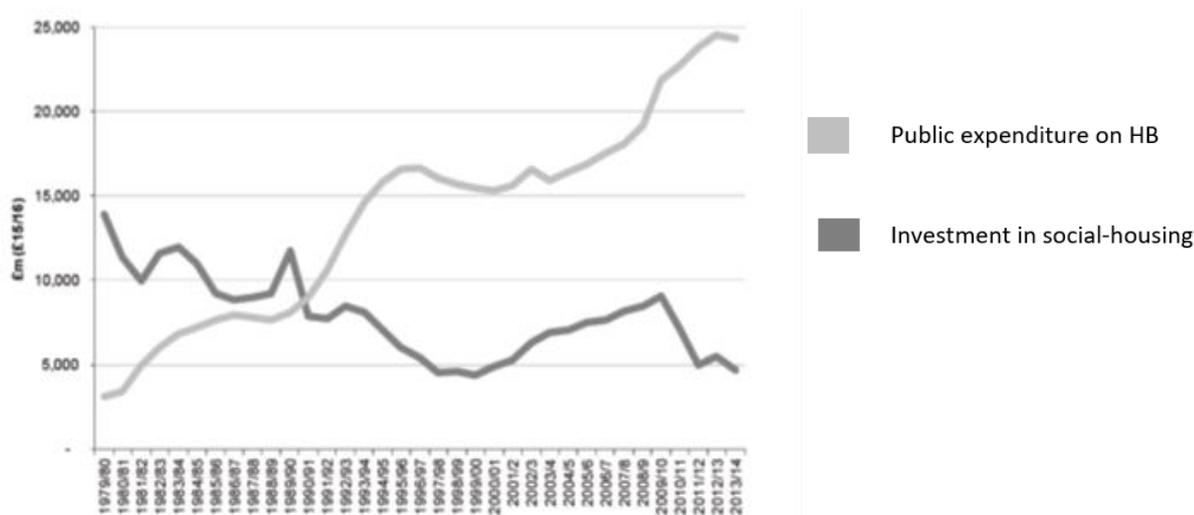
- Locally new and re-let properties are being let at target rents in some boroughs (Southwark example provided). So, target rents continued after 2015!
- Nationally – the National Planning Policy Framework 2012 listed social rent, affordable rent and intermediate housing as 'affordable housing'. The 2018 NPPF included: social, affordable rent, build to rent (or affordable private rent), starter homes, discounted market sales housing and 'other affordable routes to home ownership'. The White Paper 2017 included 'affordable private rent housing' (at least 20% lower than local market rent). The social housing green paper talks about wider flexibility over tenure replacements - in respect of the use of RTB receipts (social, affordable rent and intermediate). There is a consultation paper (with the same deadline as the social housing green paper) on rents for social housing from 2020-21.
- The London Mayor defines 'low cost rent' as social and affordable rent (suggesting the default to be London Affordable Rent). He promotes discounted market rent and says his preference is for his London Living Rent. London Affordable Rent benchmarks reflect the formula rent cap for social rents. The Mayor's policy on estate regeneration / demolition says that replacement homes should be *general needs housing at levels 'based on' that which has been lost*. This is not necessarily the same as existing social rents.
- Local housing companies are designed to deliver very little social rented housing.

Key agreed points / principles

1. **We need transparency around our housing costs.** What has the increased income from the 70% and 92% increases in rents, since 2002, been spent on? The wide differences in service charges between landlords needs to be investigated.
2. **Our rents should be 'not for profit' - with no links to the private market.** Our rents should cover / reflect the running costs of our homes (management, maintenance, repairs and major repairs).
3. **Rents should be the same for the same kinds of properties new or old** – at existing council rents.

4. **Capital costs should be covered by the public purse. The current situation where social housing tenants pay for the interest on loans taken out to build homes in the first place, though rents, is unfair as they don't own their homes - either individually or collectively.** Social rented homes should be considered as an infrastructure resource; providing public social benefit including to health and well-being.
5. **Lower rents would mean lower housing benefit levels** and more government money being invested directly in housing rather than people staying in their homes.

Graph (produced by John Perry) shows increases in HB expenditure with decreases in investment in social housing.



Some additional points from the discussion:

- It is really important for people to monitor what is happening at the local level, to challenge and to share with others. NB issue raised about new tenants of a HA who have much higher rents than existing tenants - homes all built at the same time.
- We need to write up case studies (with photographs) on a variety of things like this – they can be used at the local and regional level. Instances of poor doors and affordable housing residents being denied access to common facilities were mentioned LTF happy to put these on its new website (should be finished by Jan 2019).
- Some have had increases in service charges where rents have dropped slightly.
- There was some discussion on whether rents should be at a percentage of incomes – but there was not a final agreement on this.
- It is possible for boroughs to deliver homes at social rents and to get £60k grant to support this.
- We need a cultural change of attitudes about social housing tenants and social housing.
- We need to assert having housing as a (human) right. This should mean a secure home at reasonable rents that most can afford.
- We do need to go through the consultation paper on rents – **Rents for social housing from 2020/21** - there is a suggestion that there be exemptions for private registered providers on one or more regulations on the rent standard.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/740299/180912 Rents for social housing from 2020 to 2021 consultation document.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/740299/180912_Rents_for_social_housing_from_2020_to_2021_consultation_document.pdf)