HOUSING & NEW HOMES COMMITTEE	Agenda Item 46(c)
15 November 2017	Brighton & Hove City Council

DEPUTATIONS FROM MEMBERS OF THE PUBLIC

A period of not more than fifteen minutes shall be allowed at each ordinary meeting of the Council for the hearing of deputations from members of the public. Each deputation may be heard for a maximum of five minutes.

Deputations received:

(i) Rent Policy

Spokesperson Mr. D. Fitzpatrick

Supported by: John Hadman Diane Montgomery Ian Needham Joanna Evans

(ii) Legal Action against B&HCC leaseholders on the Bristol Estate

Spokesperson Mr. D. Croydon

Supported by: David Rumelle Keith Marston Barbara Roberts Monica De Olmo Michael Bushby

(i) Deputation from the Living Rent Campaign on Rent Policy

We are here today to urge the housing and new homes committee to agree a rent policy for new council houses that is affordable for those households on low incomes. The Living Rent Campaign argues for rents to be set in relation to household incomes not the market. We want to see a rent policy that enables the council to provide a range of rents, in particular rents that are affordable for the lowest income households who suffer most economic stress in the current housing market and for whom the council is the only hope of affordability.

Each year at least 50 socially rented council houses are sold. When the council replaces these with welcome new homes the rents have been more than double social rents and are not affordable for low income households. There are no other housing providers (other than co-ops who are currently small scale) offering rents at less than Living wage rents. The living wage rent concept is laudible in that it links rents to incomes, however the assumptions made about incomes are flawed since they do not look at actual household incomes (and end up producing "living wage rents" just less than local housing allowance that are not affordable for the lowest actual incomes)

Looking at actual household incomes, the committee report suggests that a third of households in the city have incomes of less than £20,000. According to Shelter rent should swallow up no more than 35% of household income to be affordable. Therefore it follows that an affordable rent for the lowest income households (the bottom third- who are the very households that most need low rent housing), should be less than £7,000 a year or less than £135 a week. Rent options offered in the report are all higher than this ranging from £148 to £339) Only social rents provide for this and yet the committee report is proposing the exclusion of social rents being charged for new council housing. So none of the options recommended are affordable for the bottom third of household incomes in the city

We therefore propose that the committee include in their rent policy a "living rent option" (which is set at 60% more than social rents. These rents would range from £110 a week for a 1 bed flat to £168 a week for a 4 bed house. These rents would be much more affordable for many of the low income households that the proposed rent policy seeks to provide with truly affordable homes, but would still be high enough to reflect the enhanced energy efficiency of the new homes and would not place anything like as great a demand on existing HRA funds for support as would the social rent option

According to the councils own "Assessment of affordable housing need" report (2012) there are 15,000 households who can only afford to pay social rents, so we urge the committee to also include social rents as an option for new council homes for the lowest income households along with a "living rent" which is calculated to be 60% more than social rents as an option that we estimate would be affordable for most of lowest 40% of household incomes (once energy cost savings are allowed for) We also ask that the committee consider, in line with the legal advice in the report, the option of providing a mix of rent levels in any one scheme, so that rents can be better aligned to peoples' ability to pay.

(ii) Deputation concerning Legal action against B&HCC leaseholders on the Bristol Estate

Irwin Mitchell LLP, on behalf of Brighton and Hove City Council, in a letter dated 25 September 2017 to all B&HCC leaseholders in Allamanda, Sorrel, Jasmine, Hazel, and Meadowsweet blocks on the Bristol Estate have stated they are to take all leaseholders to the First - Tier Tribunal. This proposed action is despite a number of leaseholders being in the process of following B&HCC complaint and dispute procedures that are not yet completed.

This action is unprecedented, potentially involves large sums of money for tenants (through the HRA) and leaseholders individually, is causing a great deal of stress for many individuals including vulnerable residents, and appears to involve an absence of Duty of Candour.

We request that the Committee discusses this issue before any further action is taken and ask that every effort is taken to avoid an application to the Tribunal including discussions between this Committee, the Leaseholder Action Group, Justice for Tenants and the Brighton and Hove Housing Coalition.