### Defend Council Housing



Tenants, trade unions, councillors and MPs

# OPPOSE THE NOHOUSING BILL

#### Expose, resist: it's unworkable!

The Government plans to intensify attacks on council housing and tenants in their Housing and Planning Bill 2015.

- Right to Buy 2 means sale of housing association homes, financed by market sell off of up to one third of all council homes
- 'Pay to stay' will introduce means tests for tenants and force them onto higher rents – taking the money to 'pay off the deficit'
- It will sabotage investment in the homes for rent we need, diverting yet more public money away from reallyaffordable, secure homes for rent.

Cuts to council housing and housing association homes for rent will mean more homelessness, displacement and evictions. But active resistance from tenants, trade unions and councillors can make much of it unworkable. The Bill would centralise
Government control of councils and
planning, including forced inclusion of
Starter Homes in new developments,
Pay to Stay and the forced market selloff of homes to fund Right to Buy.
Shadow Housing Minister John
Healey says it "drives a coach and
horses" through the 'self-financing'
Housing Revenue Account (HRA)
debt settlement in 2012.

Council housing is back at the top of Labour's policy, following the election of Jeremy Corbyn and the new shadow cabinet. But this can't wait till 2020: we need urgent action to resist the onslaught on tenants and council housing.

The Conservative Government are undermining the future of council housing, cutting benefits meaning more evictions and encouraging soaring market rents. Britain already pays the highest-ever proportion of our income for housing. Evictions are at record levels; 4.5 million are on waiting lists, and a whole generation is trapped in insecure and exorbitant private renting.

Fighting the Bedroom Tax and benefit cuts, sell offs and evictions, demolition and privatisation puts tenants and councils in the front line of this fight.

Councils need to campaign alongside tenants and trade unions; we can organise together.

We need national policies, backed by campaigns and practical resistance. Tenants and trade unions, working with councillors and MPs can build and organise the widespread anger against the extension of Right to Buy, and means testing/market rents for working households. Labour councils need to repeat the commitment not to evict tenants in arrears due to the Bedroom Tax.

Council housing represents a real alternative to the failures of the private housing market. As housing associations increasingly behave like other private developers and landlords, we need to defend and invest in council homes, to provide a new generation of decent, secure and really-affordable housing with an accountable landlord.

Mass campaigns, marches and occupations, linking tenants and trade unions is how we won and defended council housing. MPs and councillors need to link with tenants, activists, housing campaigns and trade unions, in the fight for homes and rights.

#### **STOP RIGHT TO BUY 2**

We can stop Government plans to extend 'right to buy' for housing associations (RTB2). This would force Councils to sell off homes on the open market, to finance housing associations. It means loss of homes, more homelessness and a blight on council and housing association home building.

Jeremy Corbyn, Caroline Lucas and SNP MPs, trade unions and scores of councillors have signed the DCH statement, and committed to exposing and resisting RTB2.

Sign the statement, and get your council, trade union, tenants and political party groups to discuss and support the campaign.

- See Defend Council Housing website: www.defendcouncilhousing.org.uk/dch/re sources/RTB2signup.pdf
- And pass the motion against Means Tests and income caps www.defend councilhousing.org.uk/dch/resources/No MeansTestingmodel%20motion.pdf

## The HRA funding sabotage

At a time when the housing market is failing to provide homes people can afford, the Government want to use existing council housing as a 'cash cow', and undermine the future of council and housing association housing for rent.

The 2012 'self-financing' financial settlement with councils broke up the national Housing Revenue Account (HRA) and transferred huge debt and long-term risks to councils and tenants. The settlement built in underfunding. Most councils nonetheless wanted the benefits of a 30 year business plan based on long term funding assumptions.

But changes to rents and Right to Buy, and RtB2 plans forcing councils to sell the most valuable 30 per cent of homes on the open market, will sabotage council housing finances, while permanently losing much needed family homes and rental income.

#### **Reopen the debt settlement**

When the coalition government introduced 'self-financing' it retained the power to reopen the 'debt settlement', "if a change is made that would have a substantial, material impact on the value of the landlord's business". The loss of 12 per cent of expected income through rent changes alone, is such a material impact.

There are clear grounds for, at the very least, revisiting the 'debt settlement'.

The easiest way to deal with the problem would be to write off some of the 'debt', cutting the debt and interest payments each Council pays. There is a strong case to write off all this bogus 'debt'. However, compensating each Council's HRA for the loss of rental income is an absolute minimum, without which repairs and maintenance cuts will guarantee a deterioration in the quality of council housing.



Support the ten-point Tenants' Manifesto.

### **Stop demolishing** council homes

Estates across the country are threatened by plans for large-scale redevelopment and demolition. Thousands of tenants in homes that are structurally sound, are resisting plans to break up their communities.

The Greater London Assembly
Housing Committee calls for a tenant
ballot on any such redevelopment plans.
And Sadiq Khan MP, Labour's London
Mayoral candidate says London must
'stop demolition of council homes'.

Government now designate council estates and other council land as

'brownfield' sites: this incentivises developers and councils to redevelop private housing on current estate land. They say homes will be replaced with 'Affordable' housing – but 'Affordable' now means up to 80 per cent of market rents.

Councils need to join with tenants and trade unions to resist Government pressure for high-density private housing displacing really-affordable council homes with secure tenancies. Let's unite to win the funding and build 100 per cent council homes on public land.



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