

Minutes of the Tenants Group Special Meeting

Held on Monday 12 October 2015 at Birmingham Council House



PRESENT:

Tenant Group members:

David Bown (South Derbyshire)
Lynn Colclough (Stoke on Trent)
Margaret Gower (Woking)
Jenny Hill (Runnymede) **Chair**
Martyn Lund (Kettering)
Jim Nicholl (Birmingham)
Linda Price (Warwick)
Marlene Price (Wandsworth) **Vice Chair**

In attendance:

John Bibby (ARCH)
Matthew Warburton (ARCH)
Carole Halfacre (HouseMark)

1. WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting and explained that the purpose of this special meeting was to discuss the Government proposals in the Housing Bill which is expected to be published imminently and the Welfare Reform and Work Bill which is currently in the Committee stage in Parliament, and to capture the views of the Tenants Group members to feed into a special meeting of the ARCH Executive on the 21 October and the Board meeting that follows in early November.

2. APOLOGIES

Apologies were received from Michael Hewlett (Croydon) and Wyn Marshall (Epping Forest)

3. PRESENTATION BY JOHN BIBBY

John presented to the Group some background information about the Council housing sector which has led to the current Government announcements. This included the self-financing regime; Manifesto announcements; summer budget announcements (with the unexpected 1% reduction in rents); NHF voluntary deal on RTB extension to housing associations; the conservative party conference announcements and what ARCH has done so far in response including meetings with DCLG representatives and meetings with NFA, CIH, SOLACE and written representation to the Minister and Public Bills Committee and briefings to MPs.

ACTION:

Carole to circulate notes and John's presentation to all Tenants Group members.

4. TENANTS' GROUP VIEWS

Following the presentation the Tenants Group members discussed the implications of the proposals for the Council housing sector and the potential impact these would have on tenants. The Tenants Group members agreed the following statements/principles to be presented to the ARCH Executive as their views on the proposals:

1. The intention of the self-financing regime was to support Councils to take a long term view and the proposals by Government take this away as there will be no long term certainty after 4 years with regard to rental incomes. The Tenants Group object

to the proposals as they take away powers to make decisions and influence decisions at a local level.

2. Pay to stay - The Tenant Group challenged the Government's view that council house rents are subsidised. Since self-financing was introduced Council house rents are not directly subsidised by the tax payer or council tax payer and expenditure on council housing is paid for by tenants themselves through their rents
3. Pay to stay – The Tenants Group view was that the 'high earnings' threshold of £30k (£40k in London) is too low and should rise anyway in line with the National Living Wage. This proposal is not incentivising a work ethic. Councils would have to administer this with associated increased costs when they are trying to be more efficient and cut costs with the already imposed budget constraints. Also needed to take into account children or other dependants whose circumstances may mean a temporary return to live with their parents. Their incomes should not be taken into account. What about those people working in the armed forces – children of tenants for example- would their income count?
4. The Government proposals for rent reductions and sale of high value properties will impact on Housing Investment Plans locally. The Tenants Group felt that Councils should retain the discretion to set rents locally in consultation with tenants. The Tenants Group pointed out that the majority of the 120 tenants attending the ARCH Tenants Conference in September were not supportive of 1% rent reductions as they would prefer to have investment in the housing stock.
5. Tenants under the proposals would lose the ability to influence local issues. The proposals for housing are in stark contrast to the Government's localism and devolution agenda and take away local accountability which was introduced by self-financing in the Localism Act 2011.
6. There would be a negative impact on local economies where these are dependent on being awarded contracts by their Local Authority and a possible breakdown of relationships with housing associations and residents which may cause friction and less cohesion in a community as a result of the proposals.
7. The Government's proposals reinforce the negative stigma that has developed around 'Council Housing' and the Group felt this will increase as council housing becomes housing of last resort or 'welfare housing'
8. Sale of high value voids - The Tenants Group felt strongly that their rent money and that of leaseholders should not be funding RTB in housing associations. The Tenants Group have concerns that any additional rent collected from council tenants under the Pay to Stay and paid over to the Government will be used to subsidise commercial organisations to provide new housing. This raised the question of what happens to high value voids. As these are likely to be more attractive to 'buy to let' landlords than owner occupiers these will over time migrate to the private rented sector.
9. If the Government insists on pressing ahead with this the Tenants Group thought that there should be some restrictions including ie sales of high value voids should be restricted to first time buyers and people on the local housing register.
10. The Tenants Group felt that introducing reviews of 'lifetime tenancies' would destabilise communities and may have a longer term negative impact on the sustainability of local economies.



11. If housing association tenants exercise the RTB and sell or move within a given timescale and have to repay all or part of the RTB discount the Tenants Group raised concerns about who receives the repayment.

ACTION:

John Bibby to feed Tenants Group members views into ARCH Executive at Special meeting on 12 October and the next Executive Board meeting in November

10. AOB

Tenants Group members briefly discussed new ARCH member Councils who joined after the June AGM nominating tenants to the group and agreed that they be invited to attend meetings on a co-opted basis until the nomination process takes place in spring 2017.

ACTION:

Carole to contact the 7 new members Councils to invite them to nominate a tenant to join the ARCH Tenants Group