

**Council: Tuesday, 14 April 2015**

**15.2: Councillor Ross Houston – Barnet's Rent Policy**

Amendment in the name of Councillor Ammar Naqvi

Delete all and replace with:

Council notes the Conservative administration's proposal to increase council rents from 30% to 80% of average open market rents or Local Housing Allowance (LHA) rates whichever are lower, and to apply this increase to existing secure council tenants, existing empty council properties that are re-let and new build council homes.

Council opposes this policy for the following reasons:

- The proposals are not genuinely affordable and will more than double rents in some cases resulting in real hardship for many people.
- The proposals will push up the housing benefit bill and cost the tax-payer more.
- The proposals are impractical - for some people the amount of income needed to afford the new rent would push them above the threshold for qualifying for a council home in the first place.
- The proposed rent increase for existing secure council tenants could be unlawful, as it is against national guidance which currently sets rent increases at CPI, **as of September of the previous year, plus 1%**.
- Rent increases above the rent formula could mean reduced housing benefit subsidy and therefore no additional income to the council.
- Charging completely unaffordable rents in order to raise money to build homes that are then charged at completely unaffordable rents will not solve the affordable housing crisis - it will make it worse as more and more people will be trapped in a cycle of debt, eviction and homelessness.

**Council notes this rent policy would result in the following increases to people's rents:**

For a council home in Hale:

**2 bed current average rent is £467 pm**

**2 bed rent at LHA would be £1010 pm**

**2 bed INCREASE in rent under the proposed policy would be an extra £543 pm  
- an increase of 116%**

**3 bed current average rent is £522 pm**

**3 bed rent at LHA would be £1300 pm**

**3 bed INCREASE in rent under the proposed policy would be an extra £778 pm  
- an increase of 149%**

For a council home in Golders Green:

**2 bed current average rent is £472 pm  
2 bed rent at LHA would be £1064 pm  
2 bed INCREASE in rent under the proposed policy would be an extra £592 pm - an increase of 125%**

**3 bed current average rent is £519 pm  
3 bed rent at LHA would be £1313 pm  
3 bed INCREASE in rent under the proposed policy would be an extra £794 pm - an increase of 153%**

**For a council home in Underhill:**

**2 bed current average rent is £494 pm  
2 bed rent at LHA would be £1064 pm  
2 bed INCREASE in rent under the proposed policy would be an extra £570 pm - an increase of 115%**

**3 bed current average rent is £536 pm  
3 bed rent at LHA would be £1313  
3 bed INCREASE in rent under the proposed policy would be an extra £777 pm - an increase of 145%**

**Council further notes that these cash rent increases are equivalent to a council tax rise at Band D of up to 53.7% for 2 bedroom properties and up to 72% for 3 bed properties.**

**Council also notes that in a survey of the borough's current tenants being conducted by the 3 Labour parliamentary candidates, Andrew Dismore AM, Sarah Sackman and Cllr Amy Trevethan, 98% of respondents so far oppose the proposed rent hike policy, with the remaining 2% not commenting. None support it.**

**Council calls on the administration to scrap these proposals and to work on a new model of affordable rent that is linked to income.**