

Rent Restructuring has ensured that our rents are 'affordable, fair and reflect the qualities we value in our Homes'? You must be joking!

The Office of the Deputy Prime Minister (ODPM) has carried out a review of its rent restructuring policy. Inexcusably however, (and despite 2 requests from the LTF) no tenants were involved in the review.

What is rent restructuring?

For the last 3 years, rents have been set by a government formula 70% of which is based on manual earnings and 30% on local property values. The policy is being phased in over a 10 year period.

The adverse effects for London tenants is already clear. Rents are increasing because of London's high property values. Some tenants rents are higher (some significantly higher) than others who live in similar conditions, simply due to gentrification of their area or because their flats are situated near areas of wealth.

Government's aims

The government rent restructuring aims were to achieve rents that are: "affordable, fair and less confusing for tenants, reflect the qualities that tenants value in their homes and harmonisation of council and Registered Social Landlord (RSL) rents."

Yet, its hard to see that any of these aims are being achieved in London

Review's conclusions & proposals

The review concluded that the basic rent restructuring policy is 'sound'. It also made 3 proposals. The one with the greatest impact is that local authorities should adopt some inflated RSL property valuations.

The valuations are 22% higher than the ODPM expected and show the influence the RSLs and money lenders had on the review (Unlike tenants they were represented on the review).

The effect on our rents

The combined result of rent restructuring and the reviews proposals will be higher rents for London tenants. On average this will amount to £40 per month and in some boroughs, on average, almost double this amount by 2011/12.

We won't even receive better services as a result. As reported in the 'Moonlight Robbery' article in our last newsletter, the government holds back

£1.5 billion of council tenants rents a year, which is not then handed back to councils in M & M allowances. The treasury will simply retain more rent money, perhaps to cover the extra housing benefit that will need to be paid out as a result of these increases.

ODPM consultation

The ODPM's proposals were out for consultation from mid July to the end of September. Do they deliberately choose to consult (during the summer) when many are on holiday and when its difficult to get people together to discuss a response?

London wide tenant campaigning

As well as the LTF's collective response to the consultation, we encouraged borough wide tenants feds and organisations to also respond. We are aware of 12 that did.

The LTF produced a briefings on the proposals, including one for our member organisations to distribute to their affiliated TRAs.

We printed a postcard response which was distributed to TRAs in 17 boroughs. We hope that several hundred were sent to the ODPM.

To add to the pressure from London tenants, the LTF also distributed briefings and postcard responses to over 150 London RSL TRAs.

There are few borough wide or London wide RSL tenant organisations, but Hammersmith and Fulham RSL tenants forum and Guinness Court's London wide tenants federation made responses and copied us in.

We've had articles in the Guardian and Property People, as well as letters in both Property People and Inside Housing magazines regarding our concerns about rent restructuring and the review.

This is an excellent London wide coordinated response, particularly given the problems involved in making a response over the summer. We sincerely hope that our collective efforts have made some impact. There will be an update on this in our next newsletter.



"There's potentially considerable equity tied up in land occupied by public housing in central London. Of course it would help if social housing tenants 'chose' to move out. We need to provide 'incentives'. Rent restructuring for example"

Main points in the LTF Response

- **Lack of tenant involvement in the review.** This conflicts not only with the governments aims of rent restructuring, but also its stated aim of having tenants involved at all levels of decision making about our homes and communities.
- **Regional difference in rent restructuring have not been addressed.** In some parts of the country tenants rents are falling, but in high property value areas, tenants rents are and will continue to increase.
- **Recommendations in the review have been made on inflated valuations made by RSLs.** RSLs unlike councils are able to keep any extra rent yield they collect. RSLs will use this money for development. This is an unfair tax on the poorest in our communities. Neither RSL or council tenants will benefit.
- **The proposal of adopting these valuations is done under the guise of harmonising RSL and council tenant rents** If the real motivation were harmonisation, RSL tenants rents could be reduced to council tenant rent levels. (In fact there is no indication that the proposals will actually achieve harmonisation of RSL and council rents.)
- **The recommendations will not achieve rents that are 'affordable' for London's tenants and will have a detrimental impact on the governments' targets around social exclusion and child poverty.**

Report on LTF London Housing Strategy Conference

CABE Presentation

The Conference began with a presentation from Tom Jestico, an architect and CABE 'enabler', that aimed to kick start debate on 'sustainable communities'. CABE, established in 1999, is an advisory body that champions high quality design. It is a non departmental public body, supported financially by the Dept for Culture Media & Sports and the ODPM.

Tom noted that John Prescott's 'Communities Plan' aims at achieving 'sustainable communities'. He suggested a number of definitions of 'sustainable': environmental, relating to consumption of resources, global warming, energy depletion, travel to work etc; self-sufficiency, viable to a group of people, able to exist without subsidies; enduring with potential to exist for a long time, stable, lasting benefits.

He defined 'community' as a group of people, from a small number to several thousand households with a number of shared common beliefs and experiences derived from living in the same community. He said it evolves and changes but shares.

What makes for 'success' he said includes: demand for housing, a community that people want to join, one that is lively and outgoing, with anti-social behaviour under control and poverty and exclusion issues dealt with. It is one that has access to employment, community cohesion, the ability to 'self help' and a mix of private and public, shops, facilities, services and employment.

Tom noted the pressures to build at high densities in London and spoke of the advantages and disadvantages in this.

Advantages: maximum use of urban land, concentration of jobs and homes, maximum use of infrastructure, minimisation of urban sprawl, convenience of services, shops being in close proximity, good public transport and close knit communities

Disadvantages: living cheek by jowl with those you may not wish to; lack of green space, fresh air, peace and quiet; noise, pollution; high levels of congestion; high stress and tension levels

Tom said the role of design is to produce a careful integration of buildings of public and private space, good quality landscape and transport. Practically, there needs to be good detailing to ensure that buildings last and look good for years. Homes need to be flexible and adaptable to ensure they are durable, with good acoustic standards. There must be good choice of materials with a concern for dealing with climate change.

Good urban design, he said, provides identity and character, a mix of continuity, enclosure and good quality of the public realm. It enables people to pass quickly through outdoor spaces; it is legible, so people don't get lost. It has a good mix of homes, shops, services and employment. Good maintenance is vital.

The presentation generated a lot of questions and good debate. Following this tenants attending the conference went on to discuss and define their own essential components of a 'sustainable community'.

Sustainable Communities—Tenants Definition

We must have :-

- Community centres, accessible to all in our communities.
- Amenities for young people and support for them to engage.
- Well designed and maintained play spaces.
- Parks and green spaces with activities for children.
- Well-designed estates – with no nooks and crannies.
- Social amenities accessible and inclusive to all residents. (Market determines that too much is inaccessible to those on low incomes or dependent on benefits).
- Car free environments.
- Stable communities.
- Allocations policies to recognise community needs and lack of care for elderly.
- Good maintenance of our environment, communal, green and play spaces.
- Funding for community initiatives.
- 'Lifetime homes', that can change, as peoples needs and family make up changes.
- Housing supply to reflect need not the market.
- Parker Morris standards must be restored.
- Homes and facilities that are accessible to the elderly and disabled. (Not just the homes of the elderly and disabled)
- Good and high standard council services.
- Affordability needs to be defined. (Social housing is not currently affordable to the more than 60% of tenants)
- LTF should draw up an action plan of what we want and plan of how we get it.
- Ken Livingstone should work with the LTF re accountability and tenant involvement in regional decision-making.
- Bottom up solutions.
- Community government and investment in residents to represent themselves.
- Good consultation and democratic accountability



Consultation and democratic accountability

- We must have democratic and accountable structures that genuinely involve tenants in all levels of decision-making about their homes and communities.
- Local authorities must engage in proper consultation. I.e. genuine involvement, not information giving sessions after the decisions have already been made.
- Real involvement in decision making from initial ideas to final product, so all residents have a sense of ownership.
- Government must engage in proper consultation.
- Government must ensure that local authorities engage in proper consultation.
- Tenants and residents will remain apathetic until councils and government start to deliver.
- People who live in a community should have full control over what they need.
- All residents should have a sense of ownership of their community, including the widest possible consultation and democratic accountability, to young, old, disabled and BME.
- Local residents should be consulted, drive the agenda, own and run the process there after.
- There must be investment in capacity building to ensure all can take part.

Concerns

- Right to buy is becoming a commercial business and breaking up established communities.
- Government policy on right to buy is causing leaseholders to move on – breaking up communities.
- Government policies contradict aims to build cohesive communities. Rent restructuring and housing benefit reform will destroy communities. Both will coerce council tenants to move from London, particularly its 'more desirable' areas. Is this government's aim?
- Tenants talk about 'homes', housing professionals and politicians talk of 'social housing'.
- Government is not interested in listening.
- 'Democratic renewal' – local authority mayors, and cabinet set ups don't work and have resulted in tenants being less involved in decision making processes.
- Gated communities and CCTV everywhere is not the answer.
- Bedsits are not lifetime homes. They create transient communities.
- Sustainable communities will not be achieved without positive investment in council homes.

Report on LTF London Housing Strategy Conference

The afternoon focused on issues of democracy and accountability in decision making at the regional level. Here are the main points made by the invited speakers.

Peter Brittain London Housing Board secretary, attended instead of Corrine Lyons, LHB member, who pulled out at the last minute.

- Regional Housing Boards, set up via the Communities Plan, Feb '03 were asked to produce regional housing strategies by July '03.
- Membership (currently make up of unelected officials) was determined by government. However there are now proposals that regional housing boards and planning bodies be merged under regional assemblies (in London the Mayor) in April '05.
- Funding is allocated over 2 years from the 'London Housing Investment Pot'. This brings together 30% of local authorities HIP allowances and RSL's approved development funding.
- Regional boards advise ministers on the allocation of funds.
- The boards are to produce another strategy by '05, providing recommendations to ministers on investment for the next 2 years.
- The strategy will cover all forms of housing tenure.
- New money has been promised for housing in the spending review—but actual amounts are not yet known.
- The London Housing Board has sought views from a range of organisations on the key issues for the strategy. They received 52 response including one from the LTF.
- The board will draw up an outline draft strategy which will have 3 months consultation, beginning in November.
- The final strategy will be published in May next year.

Alan Benson GLA Housing Policy Manager *re the London Plan*

- The key aim of the London Plan is to make London work.
- The long term picture for housing in London is different than for other areas. It's population is growing. Migration in and out of the City is very different from the rest of the UK with a younger population moving in and families moving out. There is international migration into London that produces new problems.
- There has been a long-term decline in building housing in London and a loss of social housing units through the right to buy. London has huge problems of homelessness and overcrowding.
- The London Plan, published in Feb '04 and to be reviewed in '07, is a spacial, economic and transport strategy. It's key messages are: protection of green open space and increase housing density where appropriate and where the infrastructure will sustain the increase. 30,000 new homes are required by 2016. New building should be of: mixed tenure, 50% affordable or intermediate housing, all should be lifetime homes and 10% wheelchair accessible.
- Current government consultation re the merging of regional planning boards and housing boards is a done deal.
- With the Mayor taking over it will be more transparent and democratic. Don't know if tenants will be on the LHB, but the board has to listen to people who live in social housing in London.
- The building of council housing is not within the gift of the London Housing Board, but if London tenants campaign and take their campaign to the board once the Mayor takes control, he will listen.

Cllr Tony Newman ALG Housing Chair

- The ALG set up a Stakeholders Taskforce to provide wider consultation than that carried out for the last London Housing Strategy.
- Its reports notes that the needs of residents and tenants were not adequately taken into consideration.
- The taskforce included the LTF and quotes widely from responses made by the LTF and individual London tenants federations.
- Tony Newman said he believes passionately in tenant involvement, has argued for LTF reps to attend the ALG Housing Steering Group meetings (which they now do) and for tenant involvement on the Housing Forum for London.
- The Mayor will decide on methods of consultation for the London Housing Board and whether there will be tenant board members.
- How any extra money is spent is vital—that is why conferences like the LTF's are critical.

Conference Questions and Comments

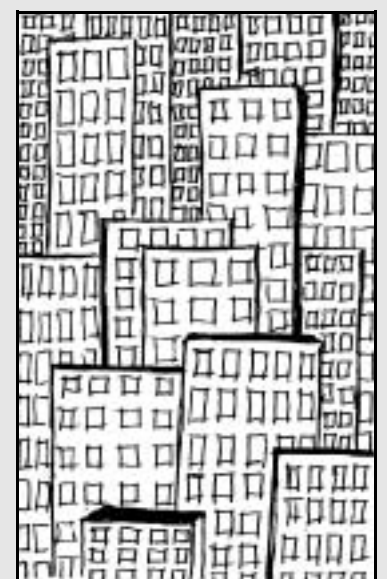
Tenants representatives from Barnet, Camden, Croydon, Ealing, Enfield, Greenwich, Hackney, Haringey, Hammersmith & Fulham, Havering, Hounslow, Islington, Lewisham, Lambeth, Southwark, Tower Hamlets and Westminster attended the conference.

The following are some of questions and comments made by tenant reps at the conference. (Fuller notes from the conference are available on request from the LTF)

- How will the London Housing Board analyse the consultation it has carried out for the London Housing Strategy? What process will they use to define the priorities? What weighting will be given to tenants contributions?
(We have written to the London Housing Board since this conference requesting that they answer this question)
- Isn't the London Housing Board is simply a quango?
- There is one rule for developers and another for council tenants. Those with bags of cash are listened to more than those without.



- There are 2 lots of consultation going on, 1. the consultation for the London Housing Strategy and 2. the consultation on the proposals to hand responsibility for the London Housing Board to the Mayor. Wouldn't it be better if the 2 were progressed together? Clearly the London Housing Board is a temporary arrangement and hopefully tenants will be involved with a more democratic structure, isn't it bizarre that the strategy will be in place prior to this?
- It seems that the government is pricing tenants out of central London – this is clear in both its rent restructuring policy and proposed housing benefit reform.'
- Who are key workers? Isn't everyone who is working a key worker and aren't those who are not, potential key workers?
- A plan for low rent public housing strategy is needed.
- Re the London Plan and 'high density where appropriate'. High density was allowed at Kings Cross. Who determines 'where appropriate'?
- There are contradictions in government policies. It speaks of sustainable communities – but the reality is, they are destroying communities.
- In any redevelopment of refurbishment, shouldn't it be the existing community that should be consulted first?



A Strong Voice for London's Council Tenants

The co-ordination of a strong London wide response to the rent restructuring review demonstrates the growing strength of the London Tenants Federation.

It builds on our solid base of London's borough wide tenants' federations and organisations, brought together through the provision of information, exchange and mutual support. We are consolidating as a regional force for tenants and gaining an increasingly high public profile.

This has been achieved by our adoption of a democratic and accountable structure, which accommodates the diversity of views and opinions within London's tenants' federations and organisations. We operate in a bottom up fashion, encouraging good debate prior to coming together on agreed statements or actions. We have a clear objective in aiming for accountable tenant involvement at all levels of decision making about our homes and communities.

Without doubt this raised public profile has been responsible for attracting increasing attention from the housing press, as well local, regional and national government.

The higher profile has also caught the eye of the campaign group Defend Council Housing (DCH) who make it quite clear they would

like to see us under their banner.

DCH has stated aims of achieving positive investment in council housing and tenants rights to stay as council tenants, not dissimilar to one of the LTF's stated aims. (in italics at the end of article)

One DCH leader recently suggested to the LTF support worker that "the problem with the Feds in London is that "most are in bed with their landlords" and "London Feds need to decide which side they are on". For them it appears to be a black and white issue: 'for us [DCH] or against us'.

If this statement is indeed representative of the overall DCH method of operation it would go some way to explaining their failure up to now, to win wider support amongst the tenant movement in London.

The remit of DCH is of course different to the LTF. Theirs is a campaign group focused on a single housing issue. Again unlike the LTF it has an unelected leadership that appears to lead ideologically from the front, which understandably leaves many tenants uneasy at the possibility of party building and hidden agendas.

One example was the recent LTF conference, in those who don't support DCH being publicly and personally attacked and the appropriation of the statements of others, sometimes out of context, being re-modelled to fit into a DCH agenda.

Far from boosting tenant's morale, such hectoring may (particularly for those who support the sentiment if not the campaigning methods) leave many feeling discouraged and dis-empowered.

For of these reasons the LTF feels that the failed and out-dated method of campaigning adopted by DCH is inappropriate to the needs of our organisation, and is moreover proven to be an ineffective approach towards building a strong voice for London tenants.

*** The London Tenants Federation believes that to ensure all our homes are at a decent standard by 2010 and also that to achieve sufficient dwellings to accommodate the needs of affordable housing in London, government must invest positively in council housing.*

Housing management should be the outcome of decisions made by tenants about what structures perform best. This should be prompted neither by financial need or existence of preferential funding arrangements.

Tenants in some areas may choose to look at different ways of managing their housing, for example, Arms Length Management. Tenants should make such decisions in a fair ballot. Whatever structure tenants choose, tenants must be treated with equality. Thus funding arrangements must be the same.

European Social Forum Housing Seminar

The LTF took part in a European Social Forum housing seminar in October, and spoke about issues affecting tenants across London. Others who took part are clearly dealing with some of the same kinds of issues -

Jean Baptiste Eyraud a member of a tenants' organisation 'Droit Au Logement' (DAL) said that in city centres of France, public housing has been demolished and replaced by middle class housing. Social housing tenants have been sent out to the suburbs. There has been deregulation of rents and a setting of rent levels according to where you live. In a country that has no legislation requiring municipalities to house homeless families, DAL campaigns for 'rights to housing'. 1000's of families have been housed as a result of their actions, which has included arguing for changes in laws on vacant buildings, preventing evictions and carrying out some highly public squatting of vacant buildings for homeless families.

German Lomtev, from the Russian Housing Federation noted the changes that have occurred over the last 15 years. From a situation where there had been no private ownership of housing, two thirds now own their own homes. There have been huge increases in rent and maintenance charges. There is little legislation to protect consumers rights. Some tenants of housing co-ops and houses in multiple occupation work and campaign together and have been successful in ensuring that rent money is used for maintenance of their properties.

Knut Unger from Habitant Net said that there are different types of social housing in Germany. Some is part private and part state owned. Tenants rent goes mostly to the companies that built the homes.

Some social housing has been sold to speculators or to individuals for the highest price although residents of some communal buildings have campaigned successfully against this. Some tenants have been worried that if they don't buy their homes they will simply lose them through large rent increases.

Carol Driscoll and Michael Kane from the National Alliance of HUD (federal department of Housing and Urban Development) Tenants in the USA said their organisation is a grass roots tenant-controlled organisation with affiliated coalitions of tenants associations in 32 states. Their housing is privately owned and run with some subsidy from the government. Owners can get out of signed contracts and revert to high rents. This happens particularly in areas that have been gentrified. HUD assisted housing has been demolished in these areas and been replaced with luxury apartments. The speakers noted that there are multi-national companies buying up public housing across the globe and suggested that tenants might share this kind of information.

Cesare Ottolini, - Habitat International Coalition (HIC), a world wide network of tenants organisations campaigning on 'rights to secure housing and fair, not market rents' said there are developments at a European Parliament level that are worrying, including challenges to subsidised rents made by the European Federation of Landlords.

Since this seminar, the LTF has become a member of the HIC and will through the coalition share and exchange information with other tenants from both Europe and further afield.

Courtesy Costs Nothing?

In July '03 the LTF sent an open letter signed by 16 borough wide tenants organisations in London to John Prescott stating the points in italics above.

In our last newsletter we reported that as we had never received a response, that we had sent a further letter.

We photocopied the letter at an A0 size and sent it recorded delivery in the hope that the deputy Prime Minister wouldn't be able to miss it. But we are still haven't had a response.



Since our last meeting, we have sent John Prescott yet another copy of the letter, some paper and a stamped addressed envelope, just in case he's not able to afford the cost of a response.