



UNISON MEMBER BRIEFING ON THE HOUSING AND PLANNING BILL 2015/2016 FEBRUARY 2016

SUMMARY

- The Housing and Planning Bill applies to England
- The measures in the Bill, particularly the extension of the **Right to Buy** to housing association tenants and the **forced sale of council housing** to fund it, will reduce further the number of social housing stock; they will take away funding from the provision of affordable housing to boost homeownership
- The **Pay to Stay** measure will make social rents expensive for some and will be a disincentive for tenants to get better employment
- **Starter Homes** for sale are priced too high and will be beyond the reach of many
- Changes to **lifetime tenancies** will remove security of tenure from council tenants
- People who are not able to buy their own home will have no security in renting and may face a lifetime of insecure renting
- Young people and families on average incomes will be locked out of a decent affordable home
- There will be fewer homes at prices people can afford to buy or rent
- With fewer social housing for renting housing jobs and housing services will be at risk
- More people will face rent arrears, evictions, poverty and homelessness
- There will be more social cleansing of people out of high value property areas

The Housing and Planning Bill – Implications for affordable and social housing

The Housing and Planning Bill contains a wide range of measures to expand home ownership; reform housing management and the planning process; and increase housing supply to tackle the housing crisis in England. However, the Bill's main focus is on boosting homeownership at the expense of affordable and social housing, which the majority of people on average incomes need. As a consequence, there will be even fewer social and affordable homes, the housing crisis will worsen and it will become more difficult for people on average incomes to find an affordable home to rent or buy. With fewer housing stock available social housing jobs will be put at risk.

This briefing sets out the potential impacts of the Bill on social landlords, tenants, the workforce and housing provision in general.

1. The Right to Buy

UNISON believes that extending the Right to Buy will reduce further the social housing stock available and worsen the housing crisis.

The Bill contains measures to extend the Right to Buy to housing association tenants which will be paid for by forcing councils to sell off 'high value' vacant council homes. This will result in even fewer social rented homes and will have a negative impact on the workforce and housing supply. With a reduced stock and reduced rental income the situation will worsen and this could lead to job cuts and fewer homes and services for those in housing need. The charity Shelter has warned that the Bill will lead to 180,000 fewer affordable homes to rent or buy over the next five years.

2. 'Pay to Stay' - Changes to Rents for High Income Social Tenants

Pay to Stay will make social housing too expensive for some social housing tenants

The Bill contains measures – under the Pay to Stay policy – which will require social housing tenants with a household income of more than £40,000 in London and £30,000 elsewhere to pay rents up to market rent or lose their social rented home (council or housing association home). The policy will be voluntary for housing associations but local authorities will be compelled to implement it without keeping the income generated from the increased rents that they will generate, this will have to be remitted to the Government.

UNISON is concerned that 'Pay to Stay' will make social housing too expensive for the people that it is expected to house. The 'higher income' earners that the policy targets are already priced out of the market because of high housing costs, and therefore forcing them to pay market rent may therefore expose them to unnecessary financial hardship and poverty. As a consequence, the policy will have a devastating impact on those affected, an estimated 250,000 households per year. Many of them will be worried about rent hikes and eviction, and being penalised for working hard as a better paid job could mean paying a higher rent. Others may face financial hardship and homelessness or need recourse to housing benefit to meet rising rental costs.

The policy could result in tenants being forced out of their homes into insecure private renting, exercising their Right to Buy or seeking lower paid employment in order to stay in their homes. The policy could also affect young adults as more of them are living at home longer due to the housing crisis; this group of people may be impacted by the 'Pay to Stay' policy if their parents are affected and they – along with their parents – risk being forced out of their homes because they cannot afford market rents. This could rob them of a secure and stable life.

Pay to Stay will be costly to administer; social landlords will struggle to retain their social mission of managing and delivering genuinely affordable social homes for low income households.

3. Lifetime tenancies

UNISON is concerned that the Government has amended the Bill to include measures to end lifetime tenancies which will remove security of tenure for council tenants.

The Bill contains measures which will prohibit local authorities from issuing secure or lifetime tenancies to all **new council** tenants, instead they will only be able to offer fixed-term tenancies of 2-5 years, which will be subject to reviews after which tenants can be issued with another fixed-term tenancy or moved on if their circumstances have changed. Changes to the rules of succession rights will also mean that only the partner of a deceased tenant and no other family member will be able to succeed to a secure tenancy, which will be converted to a five-year fixed term secure tenancy.

Currently, social housing provides households on low to middle incomes – particularly families with young children – with stability and security way beyond what is available in the Private Rented Sector. Given the lack of suitable and affordable homes to rent or buy in the market, it is important that social housing should be able to retain its wider role of catering to households on low to middle incomes. Further, removing security of tenure in council housing at a time when there is no security in the Private Rented Sector because private rental tenancies are typically six months or a year will mean that there is no secure option for people who are unable to buy their own home. This will lead to housing instability, subjecting many people to a lifetime of insecure renting with no hope of a secure and stable home where they can plan for their future.

4. The Private Rented Sector (PRS)

UNISON welcomes measures in the Bill that seek to tackle the worst offending landlords (rogue landlords) and letting agents who let their tenants down by poorly managing their properties or treating tenants unfairly. However, more needs to be done to improve conditions, supply and affordability across the Private Rented Sector (PRS).

Decent and affordable housing is one of the biggest issues facing private renters, especially young people, who are most affected by the housing crisis. Yet the Private Rented Sector is the sector which has the least regulation, the highest number of homes that do not meet the decent homes standards, where tenants face high rents, unpredictable rent rises, the most insecure tenancies, instability, extortionate letting agency fees and rogue landlords. According to [UNISON's research](#) young people – whether in work or not – are now the largest group in the private rented sector – about 50%. We believe that young people are being forced into the private rented sector due to severe lack of social housing and un-affordability of home ownership. UNISON would like to see measures – such as those advocated by the [TUC Young Workers' Housing Charter](#) – to improve regulation in the Private Rented Sector. These measures could include a system of rent controls, longer-term tenancies and better regulation to drive up standards, strengthen tenants' rights and conditions to make private renting more accessible, affordable and secure.

5. Starter Homes

UNISON welcomes support for first-time buyers to get onto the property ladder, but we are concerned that the Starter Homes initiative will be beyond the reach of thousands of workers and lead to the decline of real affordable housing.

Measures in the Bill will help to boost housing supply and result in the delivery of Starter Homes to help more people, especially young people, to purchase their own home. However, the price caps of up to £450,000 in London and £250,000 elsewhere in England for the Starter Homes are set too high. The Starter Homes scheme will only help those who are already able to buy their own home or who are on higher incomes as it will require people to be earning at least £76,000 a year in London, and £50,000 elsewhere, pricing them way beyond the reach of nurses, teaching assistants, and school cleaners. The Bill also seeks to widen the definition of 'affordable housing' to include Starter Homes, which will be prioritised above genuinely affordable homes such as social housing that it will replace, and it will result in the further decline of affordable housing.

6. Impact of measures in the Bill on the workforce

UNISON is concerned that the measures in the Bill could result in fewer social housing and impact on the financial viability of social landlords to manage stock and deliver new homes and this will in turn have a negative impact on the social housing workforce and on services to vulnerable people. The situation could worsen as housing budgets and social rents are being cut due to the measures in the Welfare Reform and Work Bill. As a consequence the workloads of staff could increase and they will likely face more difficult working conditions. With a reduced stock and reduced rental income some housing organisations have already scaled back their development programmes and announced job cuts. The reforms could also impact on the key workers providing housing and other public services who are being priced out of some areas, contributing to public service staff shortages in those areas.

7. Impact of the Bill on social housing provision

The Housing and Planning Bill focuses on boosting homeownership at the expense of providing genuinely affordable homes that the majority of people need. The measures in the Bill such as the

Right to Buy and Starter Homes will take away funding from social housing and will result in fewer affordable homes for people on average incomes, deepening the housing crisis across the UK. The measures will end the aspirations of a whole generation for decent and genuinely affordable housing. They pose a sustained attack on social housing, particularly council housing, which is in dramatic decline and represents a poor housing deal for young people, workers, ordinary families and those on low to middle incomes. As a consequence, people on low to middle incomes will find it even more difficult to find a decent, secure and affordable home to live. The measures do little to tackle the housing crisis, such as significantly improving the supply of affordable housing across all housing markets to meet demand. They could end the existence of social housing. This will in turn lead to increased social and housing problems as poverty, overcrowding and homelessness and the social cleansing of people out of high property value areas into insecure private renting.

8. UNISON's Response

UNISON is concerned about the housing crisis and its impacts on general housing provision, jobs and social housing tenants in England. UNISON has been campaigning, lobbying and working with Parliamentarians to improve the Bill as it makes its way in Parliament. We have held meetings with leading Labour MPs, including John Healey, Shadow Cabinet Minister for Housing and Planning, and Labour Peers to influence the Bill and we continue to engage with them. We have also disseminated briefings to Parliamentarians including [a briefing to MPs which highlighted our concerns about the Bill](#); and submitted recommendations to improve the Bill.

What you can do:

- Provide UNISON with **case studies** on how the Bill is likely to affect your housing options or if you work for a local authority landlord or housing association or provide a housing service, you can provide case studies on how the Bill is likely to impact on service provision, tenants and the workforce
- Write to your MP: <https://www.writetothem.com/> and raise the issues in this briefing
- Sign the Online petition to Stop the Housing Bill: <http://you.38degrees.org.uk/petitions/stop-the-housing-bill>
- Submit evidence to the Bill during the Committee and Report Stages in the Lords (dates to be confirmed): <http://services.parliament.uk/bills/2015-16/housingandplanning.html>

Support UNISON's campaign to oppose measures in the Housing and Planning Bill:

- Abolish plans to sell off councils most valuable properties to fund the Right to Buy extension
- Abolish Pay to Stay measures to charge tenants market rents
- Improve the Starter Homes Scheme so that they are affordable to the average buyer
- Abolish plans to end secure tenancies in council housing
- Invest in a public sector led house building programme to deliver the homes the UK needs
- Effectively regulate the Private Rented Sector
- Provide adequate financial support for the young and vulnerable to help them with housing costs and to combat homelessness and social problems

If you would like any further information on any aspect of this briefing, please contact:

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UNISON housing campaign: <https://www.unison.org.uk/at-work/community/key-issues/housing>