

Swindon Council's "Tenancy Strategy": 'secure tenancies' should be maintained for existing and future tenants

Since the beginning of the 1980's Council tenants have, in law, had a 'secure tenancy'. This gives us real security. We know that if we pay our rent and do not behave in an anti-social manner, we cannot be kicked out of our homes. For propaganda purposes the coalition government is calling this a "lifetime tenancy", suggesting that it's unreasonable to give somebody 'a home for life'. There is in reality, no such thing. 'Secure tenancies' are in practice *open-ended* tenancies, but if a tenant breaks the tenancy terms they can be evicted, and some are every year. You cannot keep your tenancy regardless of your behaviour. There is no guarantee that it will be 'for life'.

"Social tenants having nothing to fear"

Not long before the 2010 General Election, the Housing Minister of the time, John Healey predicted that the Tories would end security of tenure for future housing tenants. He didn't need a crystal ball to make this prediction, he only had to read policy documents from Ian Duncan Smith's 'Centre for Social Justice' which promoted the idea of fixed term tenancies. In an interview with the magazine "Inside Housing" David Cameron dismissed Healey's prediction as "a smear". His party apparently believed in the importance of 'social housing' and the security it provides. "We support social housing, we will protect it, and we respect social tenants' rights", he said. "Social tenants have nothing to fear". Shadow Housing Minister Grant Shapps declared that "Conservatives will protect social tenants' rights and rents". A spokesperson for the Party insisted that they had "no policy to change the current *or future* (our emphasis) security of tenure of tenants in social housing."

Yet within weeks of formation of the coalition government the Conservatives reneged on this promise. They decided to give local authorities the right to....end 'secure tenancies', bring in 'flexible' or 'fixed term tenancies' for new tenants and introduce the means test as a condition of being granted a tenancy. Every Council is obliged to produce a 'tenancy strategy' and consult on it. They have the discretion to continue with 'secure tenancies' or introduce 'flexible' ones as they so wish. Swindon Council finally presented its "Tenancy Strategy" document at the recent Housing Advisory Forum. This covers allocation of homes and the terms of tenancies. Swindon Council is proposing:

- A fixed term tenancy of 5 years for households without children;
- A fixed term tenancy of 10 years for households with children .

In addition tenants whose circumstances change will have to move if, for instance, their household composition changes. This will be determined on the basis of the 'bedroom standard'. So a single adult or couple, who's children leave home, will have to 'downsize' to a smaller property. The rigid application of the 'bedroom standard' would force tenants to move a number of times, during the course of a normal life-cycle, where the family composition changes over time, always assuming there were homes of the 'right' size.

A means-tested tenure?

In addition the Council is proposing a household earnings limit of £38,000. Nobody would be accepted on the housing list or be given a tenancy with earnings above that level (whether a single tenant or joint tenants) and any tenant/s who got promotion or better paid employment would be forced out of their home if their earnings crossed that threshold. The only thing that

would be taken into consideration in regard to household income would be where households had child maintenance payments.

If fixed term or flexible tenancies were to be introduced then the Council will be faced with the big and costly administrative task of reviewing tenancies six months before they end. Whilst these tenancies would be applied only to new tenants and not existing ones, with 500 'general purpose' tenancies issued each year, half of tenants would be on fixed term tenancies after 10 years (if not earlier depending on the level of 'right to buy' sales). Over time, 'secure' tenants would be like the last of the Mohicans and the Council would have to review an ever larger majority of tenants; an expensive and time-consuming process. There is by the way no estimate in the consultation document of the cost of such an administrative burden. How can the Council propose a policy without considering the financial and administrative cost?

Why is the Council proposing to introduce these changes when it admits that the policy may make little difference?

“There are so many households on the waiting list that the measures outlined may make little difference. For example, many on the waiting list do work, but on low pay.”

Certainly the policy will do nothing to address the housing crisis. As MP Rob Buckland has admitted there is “an acute social housing shortage”. As with housing nationally, over the course of the 10 years between the 2001 and 2011 censuses, Swindon has seen a massive increase in private rental (from less than 6,000 households to over 14,000) and a decline in households with mortgages from 48% to 39%. This crisis can only be addressed by new Council house building; addressing the shortage of homes. Pushing people out of Council housing into the private sector (where rents are up to double) or forcing them to take on mortgages that they can ill afford, will only worsen the crisis.

Council housing as charity

Behind the idea of fixed term tenancies is the belief that Council housing is social welfare which should be means tested as other welfare is; “a safety net for people who are in difficulties” as Grant Shapps called it. Although Housing Benefit *is* means-tested (it applies to the private rented sector as well, of course), Council Housing, as a tenure never has been. The coalition government is treating it like charity, giving Councils the right to evict people who have done nothing wrong. Of course, they won't call it eviction, it is termed helping people to find something else. But they will either be forced out altogether, or forced to move out of their home and possibly the community they are settled in, and in which they would like to continue living.

Make no mistake, fixed term tenancies give a Council even more power over tenants than they currently have. In their response to the original government consultation the Council admitted that fixed term tenancies would cause 'anxiety'. They would, in fact, undermine tenants' independence, introduce instability and make them fearful for their future, forcing people to move against their will, and making a mockery of 'tenant choice'.

Generally speaking 'secure tenancy' gives tenants a sense of security and the overwhelming majority of them treat the property as their home, spend time, effort, and money on its upkeep and improvement. If tenants do not know whether they are going to keep their tenancy then they are not going to make this investment of time, effort, and money, as they tend to do today.

Fixed term tenancies would also act as a disincentive to progress at work. With the income threshold of £38,000, not a very high sum where joint tenants are both in work, the inclination of such tenants would be to avoid increasing their income to the point where they crossed the

threshold and would face the prospect of either moving into much dearer private rented accommodation or to take on a mortgage, *if* they could get one and *if* they could raise the necessary deposit. First time buyers have to raise deposits of up to 25%, post-credit crunch.

Council housing was not conceived as a tenure solely for the poor. It was considered as a socially necessary tenure to provide genuinely affordable housing in the face of over-crowding and sometimes deplorable living conditions in the private rented sector. It was only after the introduction of the 'right to buy', the effective bar on Councils building replacement homes, and the subsequent shortage, that conditions were created in which the tenure became more and more comprised of the poorest people.

Secure tenancies give tenants stability in their lives and embed them into their local communities. We do not have to worry about our lives being disrupted periodically by a forced move, as many people in the private sector do. Nor, frankly, do we have to worry about the Council poking its nose into our business, and our personal finances.

Swindon Council does not have to change tenancies. It has the discretion to maintain secure tenancies for existing and new tenants. If it seeks to end them for new tenants it will do so against the wishes of all the tenant organisations in Swindon. Swindon Tenants Voice, TASH and Swindon Tenants Campaign Group have all opposed fixed term tenancies and means-tested Council housing. In addition the tenants working group which was set up to consider these issues was unanimously opposed to these changes. The recent Housing Advisory Forum, likewise, has called on the Council to maintain secure tenancies for existing and future tenants.

Stable, not transient communities

This unanimity of opinion is unusual. Existing tenants are not under threat from these new changes. Our opposition to these proposals is not motivated by self-interest, but a sense of responsibility towards future tenants. If the Council proceeds with these changes it will introduce a two tier system which would be grossly unfair. Tenants are not objects of charity that can be moved about at will. We want stable communities not transient populations in which people are forced to move regardless of their wishes. No Council should have the power to evict tenants who have done nothing wrong and abided by the tenancy agreement.

The Council should recognise that the only serious way to address the housing crisis is to tackle the housing shortage. Moving some tenants out of Council homes into the private sector, and some from the private sector into Council homes, will not resolve the acute shortage of genuinely affordable housing for rent.

One final point which merits making. This tenancy strategy, in particular, the proposed earnings limit stands in contradiction with the latest government policy, "pay to stay". Under this policy Councils and Housing Association landlords would be able to charge a higher rent to tenants above an earnings threshold. Although we haven't seen the Guidance yet, in March the government announced that it would set a threshold of £60,000. It's not clear whether this will apply to all tenants or only new ones. However, any existing tenant crossing that threshold *will be able to keep their tenancy*, albeit they will have to pay a higher rent. Yet SBC is proposing that new tenants who cross a £38,000 threshold will be thrown out of their home! Is this one of those circumstances for which the term 'joined up policy' was coined? It underlines the unfairness of a two tier system.

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