

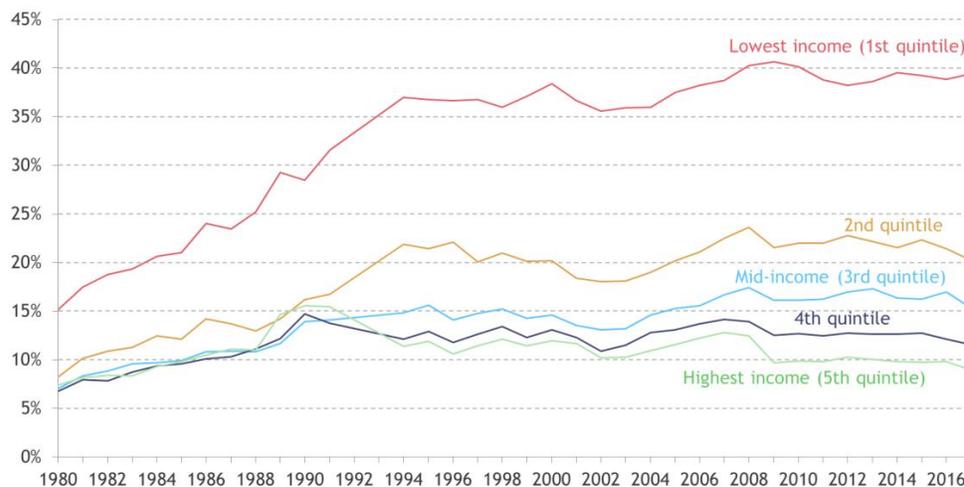
A HOUSING DISASTER NEEDING IMMEDIATE ACTION

Reverend Paul Nicolson – Founder, Taxpayers Against Poverty

The housing market: a historical perspective

1. The Conservative Party has been promoting a property-owning democracy since the 1960s. The inevitably limited supply of UK land was thrown to the wolves of the free market at home and abroad when the 1979 government abolished rent controls, deregulated lending and allowed the free flow of funds in and out of the UK. The 1997 Labour government then let it rip.
2. The late [Professor Peter Ambrose estimated in 2005](#) that the 1980s sparked off a flood of lending that underpinned massive house price rises and consumed £600 billion of investment that could have found a better use renewing our infrastructure or in research and development to make Britain more competitive in a global market rather than in bolstering house and land prices. More money went into housing and fewer houses came out. That has made the rich landowners and developers very rich indeed. No political party has yet battled credibly for low-income tenants, who are now being forced off the land into ever-increasing homelessness.
3. Professor Ambrose saw 15 years ago that the trend would end in tears. In 2019, research and policy analyst Dan Tomlinson of the Resolution Foundation confirmed that his predictions were correct. An unregulated housing market wrecks lives and also skews the economy.

Average housing cost to income ratio by tenure, working-age family units, gross of housing benefit: UK, 1980-2017. Dan Tomlinson – Resolution Foundation



The Homelessness Bill: the background

4. On 16th December 2019, we launched the attached Social Housing, Affordable Rents and Elimination of Homelessness Bill. It was drafted by Ian Wise QC from a brief by Professor Richard Murphy of Tax Research UK, following discussions initiated by Taxpayers Against Poverty (TAP).
5. The Bill is based on TAP's experience of working with and for families and individuals who have been evicted into homelessness.
6. Low, inadequate incomes and ever higher rents are a toxic mixture. Food or eviction is a choice faced by more and more households. TAP's bill requires each English local authority to count all the homeless families and individuals, empty properties and unused land in their borough. This information would then be submitted to the Secretary of State, who would be required to finance the permanent placement of homeless families and individuals on unused land and in empty properties as a priority. If we can save the banks with quantitative easing, we can save the homeless by a similar mechanism. Recommended reading: "[The Case For People's Quantitative Easing](#)" by Frances Coppola.
7. The Bill also defines truly affordable housing. It is unaffordable for the tenant if, after paying rent, income and council tax, their income falls below a reasonable minimum required to maintain the health and wellbeing of their household.

“Temporary” accommodation = up to 10 years

8. There are no plans in sight at national, London or local level to settle the growing number of homeless families permanently in affordable, secure, homes in their own safe communities.
9. Unless such steps are taken, we are convinced that hunger and inequality will increase and, with them, [infant deaths and the stalling of life expectancy](#). The good health and well-being of all UK citizens in or out of work must now become a national priority.
10. By way of example, TAP is supporting [TAG LoveLane](#) – a group of homeless families strongly objecting to being parked by Haringey Council temporarily in the Tottenham Love Lane council estate, which is due for demolition. At least one member of each of these families is employed.
11. There are 100 other families in Tottenham accommodated in two homeless hostels of 50 families each. Each family is crammed into just one bedroom. They share cooking and washing facilities with other families. These examples are replicated throughout England, where there are 84,000 such families in temporary accommodation, with

126,000 children between them – 77% more than in 2010, according to the House of Commons Library. 56,000 of those families are in London, of which nearly 3,000 are in Haringey. Policies are desperately needed at national and local level to stop those numbers, and the numbers of deaths of street-homeless individuals, rising ever higher.

- 12.** The Children’s Commissioner for England estimated that a further 92,000 children were sofa-surfing with friends or relatives. The number of families with dependent children placed in B&B-style accommodation increased from 630 at the end of March 2010 to 2,190 at the end of March 2019.
- 13.** Families and their children are at the mercy of council officials and private landlords, who compound their daily uncertainty by moving them several times from one temporary abode to another. That disrupts the children’s education, tearing them out of one community after another. We offer this example, of a couple with two children. The mother is employed as a teaching assistant and the father is a self-employed musician.
 - a. They were first evicted by a landlord who defaulted on his mortgage.
 - b. Their next move was into a flat, the upstairs toilet of which leaked through the ceiling into their kitchen.
 - c. They moved from there into a buy-to-let property, but the landlord subsequently wanted it back in order to sell it and reap the profit.
 - d. They were evicted by the bailiffs from that home onto the street, along with their children and their suitcases. Council officials are not empowered to help until the indignity and humiliation of a forced eviction such as this is inflicted.
 - e. They spent eight hours in the council offices, waiting to be moved into a homeless hostel populated by single men suffering from various addictions.
- 14.** The family was then moved into the aforementioned Love Lane Estate, which is due for demolition to make way for a smart walkway from the new White Hart Lane station to the new Tottenham Hotspur football stadium, and there – for the moment – they precariously remain.
- 15.** Before 2012, families in temporary accommodation were placed in permanent council housing and charged council rents – but we’ve lost two million council properties. Since 2012, local authorities can compel homeless families to move into the private rented sector permanently, thereby increasing their rent from – in Haringey – £90 a week to over £300 a week for a two-bedroomed home.

Truly affordable housing: a definition

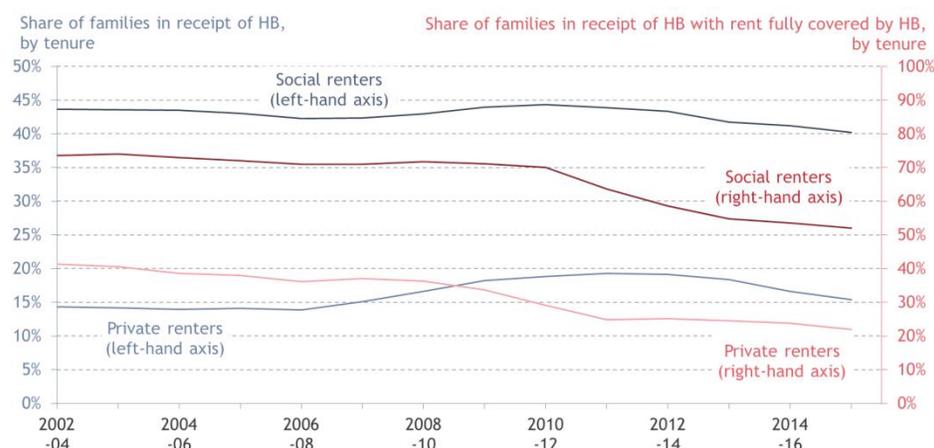
- 16.** The national and international free market in the limited supply of UK land, and a tragic loss of nerve by local and national government, inevitably makes landowners and landlords ever richer, squeezing tenants off the available space.
- a) Local authorities, including the Greater London Authority, do not insist that property developers build truly affordable homes to rent on the land that the authority owns.
 - b) Instead, they use the value of the land the local authority owns to enable those developers to sell into the private housing market, thereby depriving low-income council tenants of the land they should be living on at a truly affordable rent.
 - c) The value of the land must form no part of the calculation of rent, if low rents are ever to be truly affordable. Council housing and community land trusts operated that way for years.
 - d) All of this is exacerbated by oppressive unemployment, unstable employment and cut housing benefits that that make claimants poorer.
- 17.** TAP could regrettably do nothing for a single, unemployed man evicted from a council flat because he had a spare bedroom. There were no affordable single rooms for him to move to. The imposition of the bedroom tax cut his housing benefit, so his £73.10 week single-adult Jobseekers' Allowance (JSA), which is already not enough to live on, now also had to be used to pay rent. His council tax benefit was also cut. He was therefore expected to pay both rent and council tax out of £73.10 a week JSA, which equates to £317 a month Universal Credit (UC). Unemployment benefit has been losing value since 1979.
- 18.** The Homelessness Bill defines truly affordable housing in the following way:
- a) Accommodation is not reasonable to occupy if it is unaffordable for the tenant.
 - b) Accommodation is unaffordable for the tenant if, after paying the rent, income and council taxes, the tenant's income (together with that of other occupiers of the property) falls below a reasonable minimum, having regard to the health and wellbeing of the tenant.
- 18.** Reasonableness in law must have due regard to the following in decision-making as set out in the Wednesbury Principles:
- a) All relevant facts and information must be considered.
 - b) Irrelevant facts and information must be disregarded.
 - c) A decision-maker must not act perversely (ie, irrationally).

19. TAP considers it irrational for Universal Credit to be withheld from benefit recipients for five weeks at the start of a claim and for sanctions of up to three months to be imposed on claimants, leaving them without income.
20. The research needed to inform a governmental decision about the level of reasonable minimum incomes after rent, income and council tax have been paid, has been available, uprated annually, since the first London Living Wage was introduced by Citizens UK in 2001. The 2019 research is currently available from the Joseph Rowntree Foundation – see Full Report, page 7.

21. The figures in the example shown to the right are taken from the Joseph Rowntree Foundation’s 2018 research. They show that JSA/UC is currently £31.77 a week below the minimum needed. All unemployed parents are paid this weekly income. It is slightly less per head for couples. All other benefits are added to it. It is the same income that disabled people are expected to live on when they fail to qualify for the Personal Independence Payment. If housing and council tax benefits are cut, the JSA/UC ought to be sufficient to pay rent and council tax. The self-evident inadequacy means that child or disability benefit – which are intended to meet specific extra personal or family needs – make up the shortfall. Hunger or eviction follow.

JRF/MIS	2019
Food	49.64
Clothing	8.42
Water	6.19
Fuel	14.15
Pers	16.47
Trans	10.00
Total	104.87
Less JSA	73.10
Shortfall	31.77

Share of working-age family units receiving housing benefit and share of this group with rent fully covered by housing benefit, by tenure: UK, 2002-04 to 2015-17. **Dan Tomlinson, Resolution Foundation**



Solving homelessness: the moral imperative

22. [The Equality Trust](#) has been right to highlight the wealth of the six richest people in the UK being the same as that of the 13 million poorest, 1.7 million of whom are defined as destitute. It makes the following clear:
23. Single homeless people are dying on the streets, thousands of children with their families are parked for years by councils in temporary accommodation, and thousands more young people are sofa-surfing.
24. Meanwhile, over 200,000 thousand homes lie empty, according to Action for Empty Homes, and 450,000 plots of land are unused, as identified by the Economic Affairs Committee of the House of Lords – all of it accumulating unearned and untaxed wealth for the landowners.
25. Low, inadequate incomes risks the mental and physical health of tenants, both old and young. Debt, hunger and eviction are inevitable.
26. It is a moral imperative for governments to provide all UK citizens with a secure, truly affordable home in a safe community. This must now be an urgent priority.

END

Danny Dorling and Sally Tomlinson "RULE BRITANIA" pages 184-185

While 56,000 homeless families in London, including the former residents of Grenfell Tower, wait in temporary accommodation for a permanent home for up to and over ten years we learn from Dorling and Tomlinson that;

"Where else in Europe would 4,600 new basements be carved into the ground beneath the city's grandest homes in the space of just a decade, to make so many extra empty rooms for the rich?

In aggregate, just the first level of these new luxury subterranean chambers reaches down under the streets of London to the depth of more than fifty new Grenfell Towers. The rich of Kensington were not taxed and instead spent their money building rooms for themselves that they would hardly make good use of

But there is still cause for treat hope. The good news is that London is full of enough housing for all. There are more empty bedrooms in London than there are people who need housing - but almost all of those bedrooms are in under-occupied privately owned property. We do not need to build much new housing in the capital to live better lives. We just need to reorganise how we have chosen to live. The super-rich have done their bit now, by building so many luxury skyscrapers in recent years and - like those basements - they are mostly empty. It was as if they knew there would be a need for housing in the future. There is but the need is not the most acute among those who can pay the most. So, at some point, underused buildings in London will have to be requisitioned, starting with providing hostels to help keep the homeless off the streets. "