

## **Statement: CS05.02**

**Cabinet – 3 February 2021**

**Re: Agenda item 5: Housing Revenue Account Budget Proposals 2021-2022**

**Statement submitted by: Councillor Eleanor Combley**

I would like to encourage the Cabinet to consider unlocking more funding to build new council homes for those who need them, to reduce energy bills and reduce carbon emissions, and to improve maintenance for council tenants, through a 1% above inflation rent rise, which in the majority of cases would be covered by Central Government through housing benefit or universal credit. I know a rent rise is a difficult headline to spin, but doing stuff that makes easy headlines should not be our guiding light. We should try to do the right thing, and do the work to make a public case for it.

A modest increase in rents would increase the income of the Housing Revenue Account, and that in turn enables the borrowing of millions more to build more council houses, accelerate the retrofitting programme of energy efficiency and renewable generation measures, and reinvigorate the stalled repairs and refurbishments programme.

Money for building council houses will benefit those waiting for a council house, struggling with private rents that are around three times what the council charges, squeezing into accommodation that is too small to meet their needs, or camping out with family who can't really accommodate them. Building more council houses also means more rental income in the future, enabling more building – it is a virtuous circle, an upward spiral to counter the bitter national decline.

Money for retrofitting will benefit those already in a council house, whose energy bills will be reduced, making a warm, comfortable home more affordable, or who have been waiting for some time for a bathroom or kitchen that is fit for purpose. And of course, all of us who want to see our carbon impact reduced and for the city to meet its 2030 Carbon Neutrality target.

Money for repairs will benefit the many council tenants who are waiting for repairs or improvements, and who, if you actually speak to tenants, will tell you that they would willingly pay a small increase if it meant that work was done.

And of course, for around two thirds of households in council housing, the increase will be covered by Central Government because those households are in receipt of housing benefit or the housing element of universal credit.

One note of caution: a small number of households are already up against the benefits cap, and any rise in rents must be accompanied by work to protect and support them against this hideous Tory policy. Of course they will benefit from reduced energy bills from the retrofitting programme, but in addition they need interventions like targeted benefits advice to see if they are eligible to have the cap lifted because of a family member's disability, or are close to the working hours

threshold. And if necessary discretionary housing payments should be used to support these households.

With those safeguards in place this is a budget change that can bring a great deal of benefit and I ask Cabinet to consider it.