

Item 5: HRA Questions

Firstly, in relation to 3.0.1, considering the recent news relating to the rise in utilities, and specifically gas and electricity, which stands to hit all of our residents incredibly hard, are we expecting to be forced to revise our expected direct expenditure the given predictions for contract and price inflation?

Secondly, to reference 3.1.1; in 2016 when central government required Councils to cut rents by 1% each year in order to reduce their central costs, the direct impact of this was to force many Councils, including ourselves, into HRA deficit and difficult financial situations. Due to lack of income, maintenance and investment in stock has been a financial challenge, and thus increasing rents in line with CPI +1 is something that is necessary for the vast majority of Councils due to the pressure applied to HRA funds by central government previously. Many of our tenants potentially affected by this increase will have the increased cost of their rent covered by benefits; however, a proportion of our tenants will be affected by this increase. Under the Labour administration we sought to mitigate this by waiving the CPI+1 increase for those on affordable rent, as this particular demographic group were most likely to be paying the increase directly; have Cabinet made the same provision within this years budget?

I am proposing the following amendment:

“The Conservative budget proposes to use the £549,000 New Homes Bonus to pay off debt, the Labour Group proposes to amend this budget allocation. We propose to set aside the remainder of the New Homes Bonus to fund the provision of additional in house temporary accommodation.”

I said in my first address to Overview and Scrutiny that this is not a political issue or decision; because it isn't. Politics, at its very best, is comprised of individuals who want the best for their society, but sometimes disagree on how to do it. So we debate, and we discuss, and if you are certain that you are doing the right thing you keep going. And I have never been more certain on anything, and I have also never been more sure that everyone in this room understands and sees the merit in this amendment; and I have never been more terrified, on behalf of residents, that a form of oppositional politics that I do not ascribe to, do not practise, and do not support, could derail something that our community needs more than anything.

We currently have 160 households in temporary accommodation. 82 of those households are placed out of area. Evictions are increasing month on month, and Margate tops the whole of the country for property price inflation over the last decade. The lowest private rents for three bed properties in Margate would now cost over 80% of the income of our poorest residents. We are not approaching a crisis; we are already in one.

It has been argued that using the New Homes Bonus to hold back and pay down debt is the fiscally responsible thing to do. But as a Council, we do not routinely hold debts on over 20% interest; but what is being proposed within this budget will equate to that level, at least.

Property values in Margate alone rose by 14.4% last year; they are predicted to rise again to that level again over the coming year. Cabinet acknowledge that we need to expand our provision; they simply don't want to do it now, and for reasons I find more political than practical. The argument that this is about being fiscally responsible or prudent simply does not hold water. If we allocate all of the New Homes Bonus to acquiring in house temporary accommodation, delaying purchases by one year increases the costs of purchase by an estimated 15% according to predictions; which means that delaying the purchase of property now costs us an additional £82,350 to buy equivalent property in a years time. There is no debt that we could pay down now that is accruing interest at that level. The argument is not sound, and is the opposite of fiscal responsibility.

This is my last chance to make it clear what a difference you can potentially make tonight. Families safe and not forced away for every year from this point onwards. Education not disrupted; jobs not lost. £82,350 saved for the Council, in one decision; ongoing costs saved thereafter, every year.

This is fiscally and socially responsible, and I believe the only humane response to the situation we find ourselves in.

Politics does not have to be oppositional. We are at our weakest when it becomes so, because it blinds us to potential and to the good in others.

Please vote with that in mind, and with the strength of mind to stand with our community at the time they need us the most.

What our political persuasion is does not matter. What does matter is that here, today, now, we do what we are supposed to do as a Chamber, as a Council, and unite behind our community. Because that's what politics is. That's what it should do. And that's what I believe in.

Unite us on this. I know you can.

I move the amendment.