

STATEMENT TO NORTH SOMERSET COUNCIL HELD JULY 19TH 2021

Thank you Chairman and Councillors for giving me the opportunity to present this statement to you this afternoon.

Firstly I must congratulate Cllr Bridger and other members of the Executive on the decision to explore purchasing the Homes England land in Weston town centre and bringing the land back into use for quality and affordable housing.

This is a most welcome change of direction from the Weston-super-Mare town centre regeneration supplementary planning document (SPD) adopted February 2017 which does not require developers to provide affordable housing.

Affordable housing means different things to different people and appears to depend on your ideology – whether you believe the market decides what you can afford or whether you believe your income decides what you can afford.

The government suggests 80% of market value is an affordable rent. The median rent for a one bedroom flat in Weston is £608 per calendar month which makes, in the government's eyes, a rent of £486.40 affordable. According to Zoopla there are presently 18 one bed flats available for rent – of which only 6 are below £500.

But I agree with most housing charities that affordable rent should not be more than 30% of take home income. The lowest one bed rent I know at the moment is £475 which on the 30% calculation requires a take home pay of £19,000 per annum. The average wage for a teaching assistant in Weston is £17,370 and that's before tax. Weston private rents are not affordable.

And if you are in receipt of housing benefit the maximum amount is £109.32 per week for a one bed flat which doesn't even reach the government affordable level of £486.40 per month. Every tenant I meet on housing benefit has to pay some top up amount.

The amount of housing benefit payable is known as the Local Housing Allowance (LHA) which was raised on March 31st last year to its current level but the government's intention is to freeze LHA rates again although private rents are free to rise. I believe North Somerset Council should argue that LHA rates are raised to more fairly reflect actual rents and automatically increase as rents rise.

But back to that Homes England land ...

I urge North Somerset Council to explore new avenues in ensuring truly affordable housing. One idea being discussed in Ireland is the state, or in our case North Somerset Council, retains ownership of the land, builds the homes and markets them at just the cost of construction.

With Persimmon reporting an underlying new housing margin for 2020 of 27.6%, the not-for-profit scheme, especially with no land cost to the buyer, should well be on the way to provide affordable homes for purchase in the centre of Weston. And of course at least 30%, if not more, to be made available for social rent – preferably council owned so the rent does not fall into private hands.

I am more than happy to share details of this and other schemes with Cllr Bridger.

Our housing market is broken – let's take positive steps to mend it.

Alan Rice – Weston Housing Action