

News

HEADLINES:

Osborne acc

Ken Livingstone: My US-style cap on rents will help tenants keep homes

Pippa Crerar, City Hall Editor
04.10.10

Ken Livingstone today pledged to introduce **New York**-style rent control in a bid to solve **London's** affordable housing crisis.

Labour's mayoral candidate said he would cap private sector rent to prevent rogue landlords demanding artificially high prices.

The Coalition has announced plans to cut the housing benefit bill — which has soared in part because of the over-inflated rents being charged by some landlords — by capping payouts to claimants.

Mr Livingstone has been a fierce critic of the plan, which could force up to 82,000 Londoners out of their homes.

He told Inside Housing magazine: "The cap is wrong. It will cause tens of thousands of people to be displaced to the outer boroughs where there is no housing. Tenants should not be paying more on the rent than it costs to have a mortgage on the same property. I would cap the rents. We want to have rent control."

However, Duncan Shrubsole, of housing charity Crisis, said: "One of the many reasons the housing benefit bill has risen so high is the steep increases in rents. But the underlying reason for the rise in rents is the shortage of housing and it is that which we really need to address."

It came as new figures revealed 150,000 new homes are stuck in the pipeline in London without the funding to see them through. Some are partly built. Greenwich, Barnet, **Barking and Dagenham** have the highest number of stalled schemes, research by the London Rental Housing Company found.

Private developers are keen to use some of the sites to build homes for rent. One option — which **Mayor Boris Johnson's** housing advisers are understood to be looking at in more detail — is for private firms to enter into an agreement with councils whereby the boroughs would provide the land while the developers would build the properties and share the equity raised from rent.

Iain Hutchinson of the housing company, which aims to provide homes for families who can't afford to buy but do not qualify for social housing, said: "There are more than 300 oven-ready' sites with planning permission but no schemes to move forward. Significant opportunities exist in providing a private solution to the growing temporary housing requirement of local authorities."

Local authority - Number of developments* - Number of flats



Fierce critic: mayoral candidate Ken Livingstone is against Coalition plan to save cash

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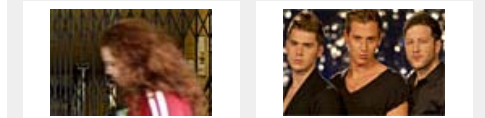
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 Richmond Upon Thames - 2 - 161
TOTAL - 344 - 149,931

* Only includes schemes which have more than 50 units.

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Reader views (15)

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Ken just wants to force poor people into rich areas to prove a point about his beliefs against well off people.

Labour changed the rules a few years back that allowed people on benefits to live in homes beyond their normal reach or even hard working people.

It was a petty policy to have a go at those well off.

Now its clear that some people can afford better than others where they live shop car they drive holidays they take schools they go too.

Its wrong to pretend otherwise and when I pass someone who is extremely wealthy I do not get all jealous and hate them for what they have.

I admire them and wish I had the same maybe or it gives me a goal or confidence to do better for myself

- PATRICK'S OPINION LAMBETH, LONDON, 04/10/2010 16:15

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The Labour Party had a form of 'rent control' - the legally enforced limitation on annual rent increase which was legally applied to Assured Tenancies. They abolished Assured Tenancies, continued to sell of council housing stock hand over fist, and oversaw a situation where mortgages became 'sub-prime'. If the Labour Party cared one bit about the average working person, they had 13 years to demonstrate it. All they did was erode tenants rights and destroy the working class. Too late Ken, you spent too long brown nosing the wrong people and now you want loyalty and re-election in return? What a joke!

- Real, Camden, 04/10/2010 14:02

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WHY DO WE KEEP HAVNG TO LISTEN TO THIS DRUNKARDS (LOOK AT THOSE BLOODSHOT EYES) INANE MUTTERINGS WEEK IN WEEK OUT...? A TRULY ODIOS MAN WHO WASN' T EVEN BORN IN LONDON....KEN GO BACK UP NORTH...REAL LONDONERS DESPISE YOU....

- wilf o` malley, london, 04/10/2010 13:57

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@ Ken Livingstone

A question. Can you please explain how people can be 'displaced to outer boroughs where there is no housing'?

The entire sentence doesn't make sense. People could potentially be made homeless in their OWN borough but how does that then equate to them being moved to another outer borough that can't house them? People will naturally drift out of expensive areas to cheaper ones. That is no bad thing if we're talking about the recent massive immigration of huge Somali families, for example, who have no ties or connection to a particular area. It is very distressing for any other family of whatever origin who have established ties and connections to the local area, children in schools, and healthcare services.

- Real, Camden, 04/10/2010 13:48

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What a fool, in New York this stops new apartments coming on the market because its not worth renting them out if theyre rent controlled, and it means very wealthy people get cheap apartments.

Cant somebody get a newt for this joker to play with in his dotage instead of messing with London again.

- Chris, Tonbridge,England, 04/10/2010 13:37

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Ken is simply trying to get a snappy soundbite for his own personal publicity. If he had an opinion on spiralling rents, artificially high rents, and / or slum landlords there was 13 years of a Labour Govt where he could have confronted those issues AND HE DIDN'T. Now after the sheer devastation the Labour Party reign has brought to our country, he actually expects that he will be re-elected as Mayor of London?

He's jumping on a bandwagon. Too little too late and Ken is o.v.e.r. - stick to your newts and hitting the bottle Ken, we already had enough of you.

Nobody can influence the private rented sector in the manner he suggests. Landlords have been given more rights than ever by the Labour Govt (for example in their abolition of the Assured Tenancy - sitting tenancy) and tenants have NO rights other than that 2 months notice must be served correctly if the termination date isn't already built into a Tenancy Agreement. The Local Authorities don't give a damn about slumlords, breaches of health and safety, or overcrowded private properties. And as a tenant if you try to confront these issues legally, you will be evicted, legally, by your landlord who has greater powers than you.

The private rented sector is just that - PRIVATE - no-one, including megolamaniac Ken can influence that situation. Buy to let mortgages are still available to landlords, cheaper than ever, and London is more overcrowded than ever. Ken may not be able to do algebra but the rest of us can. ☹️

- Real, Camden, 04/10/2010 13:37

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If it were that good an idea why did he not implement it when he was mayor?

- Mark Myword, London, 04/10/2010 13:23

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When will this odious little man go away. He was voted out of office for a reason, because no one agrees with or wants to hear his left wing out dated views.

- Paul H, London, 04/10/2010 11:58

At the last Mayoral election Ken got over 1 MILLION votes his highest ever!! And that was despite the daily campaign waged against him.

And what did London get a Mayor who is not able to negotiate with representatives of his workforce instead he goes running off like a little schoolboy wanting laws changed because he cant do his job.

As Ken says this is a system that is used in New York and so there is nothing

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new about it. Odd thing is why has Boris not already introduced it given that he was born in New York!!

- **Melvyn Windebank, Canvey Island, Essex, 04/10/2010 12:57**

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This 'idea' is rubbish and just a media soundbite from someone preaching to the gullible. A landlord would wait until your tenancy is up, cancel it and then remarket it at the new rent. Nothing Ken could do...

- **Jules_london, london, 04/10/2010 12:29**

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I agree with Richard

- **Paul, London, 04/10/2010 12:28**

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Another regressive policy proposed by Ken. His proposals are out-dated and will stifle London. Why doesn't he concentrate on the development and supply of more homes. There are hundreds of stalled developments around London. Ken, thanks for these proposals - we definitely will NOT be voting for you again.

- **Jeremy Davids, London, 04/10/2010 12:04**

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Cap on rents? Pie in the sky. Who pays for the cap on rents? The council tax payer? The tax payer in general? Too many properties in bad shape already? Cap the rents and they will be in even worse shape. May even have to be condemned and bulldozed down. The country is stoney broke. The Labour Party told us that. The coalition have proved it. So where does the money come from with Red Ken's ideas. RED ED doesn't know. Two REDS do not a thriving, balanced, economy make. Ireland is contemplating bulldozing 100,000 brand new properties no longer wanted. Their problem is can the Government there afford to pay for these houses to be raised to the ground?

- **albert hall, hove england, 04/10/2010 12:02**

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When will this odious little man go away. He was voted out of office for a reason, because no one agrees with or wants to hear his left wing out dated views.

- **Paul H, London, 04/10/2010 11:58**

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What Ken doesn't want you to know is that the New York scheme has led not only to private developers discontinuing building rental properties, but also to the abandonment of properties by landlords who couldn't afford to rent on the capped rates. But then free-market economics was never Ken's forte.

- **Richard Eader, London, 04/10/2010 11:32**

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As a private tenant, I'm all with Ken Livingstone on rent control. However, I'm also pretty sure private landlords will find another way to make money. Plus, examples in other cities, e.g. in Lisbon, show that rent control can lead to a lack of refurbishment - in Lisbon, beautiful art deco houses are left to rot because the landlords cannot recoup their money should they decide to refurbish them. In the end, they're pulled down and replaced with ugly concrete buildings.

We must find a way to keep private rents at an affordable level while encouraging landlords to keep properties up to scratch and implement insulation and energy saving features. Too many London properties are already in bad shape precisely because landlords don't want to invest anything - and they certainly don't care about their tenants' energy bills. What is Mr Livingstone suggesting on that subject?

- Polly, London, 04/10/2010 11:01

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