

Summary Paper: WDCO Negotiation Position with Notting Hill Genesis (NHG) and Hackney Council.

This document outlines WDCO's negotiation stance on the ongoing issues surrounding the Woodberry Down regeneration, specifically addressing housing costs, consultation processes, and the impact on residents, as well as proposing potential solutions.

Key Principles for Negotiation

Equality:

- The regeneration process has led to significant disparities between residents, with clear “winners” and “losers.”
- Residents in phases 1 and 2 benefit from far lower costs than those in phases 3 to 8, creating an unfair and unequal treatment of residents.
- This breaks Hackney Council's guarantee made in 2007 that all residents would have a new home on the estate when only those who can afford it will benefit from the regeneration scheme.

Ethical Approach:

- Residents in phases 4 and 5 were given only two weeks' notice to agree to significant increases in housing costs.
- There remains widespread confusion regarding the final housing costs, leaving many residents uncertain about their financial obligations, which is an unacceptable situation.

Affordability:

- Current cost disparities are severe: a four-bedroom flat in the old Hackney blocks costs less than a one-bedroom flat in the new NHG blocks.
- There have been increases of 47% for those moving into a 1-bedroom property, 62% for a 2-bedroom property, and 75% for a 3-bedroom property and 60% for a 4-bedroom property. Check against final figures
- These increases are compounded by rising costs of utility bills, food and transport over recent years.

Current Situation

Rent & Service Charges

NHG has proposed the following reductions in housing costs: **11.7% for 1-bedroom properties, 16.3% for 2-bedrooms, 11.9% for 3-bedrooms, and 4.8% for 4-bedrooms.** While all property sizes have seen reductions, larger homes have received proportionally smaller savings.

However, a portion of these reductions stems from errors in the original calculations identified by WDCO, meaning they do not represent genuine savings for residents.

Despite these adjustments, social housing residents are still experiencing a sharp and immediate rise in housing costs, including rent, service charges, and council tax. This financial strain is a direct result of households moving from Hackney Council's older social housing blocks into the new NHG Phase 3 homes. The percentage increases are as follows:

- 1-bedroom properties: 47%
- 2-bedroom properties: 62%
- 3-bedroom properties: 75%
- 4-bedroom properties: 60%

Hackney Council homes costs:

Number of bedrooms	Weekly rent (£)	Weekly service charge (£)	Total per month (£)
1	105.4	14.39	519.09
2	117.93	14.39	573.39
3	129.74	14.39	624.56
4	140.96	14.39	673.18

New NHG Phase 3 homes cost:

Number of bedrooms	Rent per week (£)	Service Charge per week (£)	Total per month (£)	(%) Increase
1	154.06	22.34	764.40	47%
2	183.81	30.52	928.76	62%
3	210.15	41.73	1,091.48	75%
4	221.19	28.01	1,079.87	60%

WDCO welcomes the reductions, but we believe they fall short of creating an affordable solution for residents. Additionally, there is uncertainty about potential increases in the 2025/2026 financial year in just seven weeks' time.

In addition, many residents will have a Council Tax Band increase. WDCO is challenging the Council Tax Band for 3-bedroom homes, but it is essential to acknowledge the additional financial impact of increased rates due to band changes and further Council tax increases expected shortly.

WDCO urges both Hackney Council and NHG to take a holistic view of the residents' financial circumstances, particularly focusing on the most vulnerable and the broken promises made to the community.

Invitation for Discussions:

WDCO invites both Hackney Council and NHG to engage in discussions aimed at reducing the financial impact on residents and addressing this issue promptly. The consultation process has been inadequate, and the timeframe provided for residents to accommodate the housing cost increases is unrealistic.

Convergence Rent (Phased Increases):

While not an ideal solution, WDCO supports the option of gradually phasing in rent increases over a defined period, giving residents time to adjust financially. WDCO are aware of other bodies taking action to support relief schemes in other areas of London and Hackney Councillors have already expressed their support for this approach in correspondence with NHG. In addition, the lead regeneration member, Guy Nicholson also supports this approach.

Change to Rent in April 2025:

We urge NHG not to apply a rent increase in April. Section 2.16 of the *Policy Statement on Rents for Social Housing* states that providers have the discretion to "freeze or reduce rents if they wish to do so." Given residents' concerns about affordability, we strongly encourage NHG to take these concerns into account when making a decision on rent adjustments.

Support for Vulnerable Residents:

WDCO advocates for enhanced support for vulnerable residents, particularly those who may need benefits reviews to manage housing payments (e.g., pensioners, individuals with disabilities). Ensuring that these residents can remain in the Woodberry Down community is crucial to achieving equitable and sustainable housing solutions.

Next Steps

WDCO is urgently calling on Hackney Council and NHG to take immediate action to address these critical challenges and safeguard the financial security of residents in the Woodberry Down regeneration project. Residents cannot afford further delays—transparency, equity, and ethical decision-making must drive urgent solutions. We expect swift and meaningful engagement with our partners to explore concrete options and ensure that community trust is not further eroded.