

Striking a successful balance between landlords and tenants

It is right that the law requires landlords to treat their tenants well and to stick to the promises they make in their contracts with tenants. There have been too many cases of bad landlords who have failed to maintain properties to a decent standard, or who have sought to evict tenants for no good reason.

The government is currently reviewing the balance of the law to see if tenants can be offered more security. It is after all their homes we are talking about, and it is disruptive and upsetting if people have to move out of a place they need and like living in.

In the review the government also needs to take into account how landlords are likely to respond. Tenants have more freedom, more choice and more affordable rents if there are enough landlords wishing to make property available. Some overseas markets have been badly damaged by offering strict rent controls and other advantages for tenants, only to discover the supply of rented accommodation falls, creating scarcity and upward pressure on the general rent level.

Today both landlord and tenant can agree to a rental contract for a stated period. The landlord may have good reason why they want the property back at the end of the specified time. If this is no longer possible more potential landlords may be put off, concerned that they cannot get their property back. We have already seen a contraction in the supply of more property to let by the tax attack on buy to let investments by individuals. The disallowance of mortgage interest relief and the higher stamp duties on such investments has put some people off contemplating put their savings into such a venture. More emphasis has been placed on institutional and company landlords, who will in turn be concerned if contracts are too restricted.

I want tenants to get a good deal, and want there to be sensible legal protections against poor or bad landlords. The government for its part needs to recognise that the best way for tenants to get good deals and have choices is to encourage a larger and healthier private rented market. You do not achieve this by overtaxing provision, nor by intervening too much in the contracts willing landlords want to exchange with willing tenants.

I am not myself a tenant, nor do I have a buy to let investment.

Houses became a bit more affordable last year

In the year to February 2019 house prices edged up by just 0.6% nationwide, whilst average earnings advanced by 3.4%. Housing just got a bit more

affordable.

There was a north-south divide, with London prices down by 3.8% and South east house prices down by 1.8% whilst prices rose in all other regions bar one. Prices were particularly strong in Wales, Northern Ireland and the North West of England.

Some will say this is good news. We want more people to be able to afford to buy a home of their own. These recent changes make homes a bit more affordable, without pushing recent buyers into heavy losses shortly after buying.

If you live through a house price collapse, as we did in 2009 during the credit crunch, people struggle to take advantage of the fall owing to the general shortage of credit and the risk of losing their job. Others who have recently bought can end up in a bad position. If they lose their job and main income they may have to try to sell their house into a falling market and end up with a nasty capital loss.

The recent squeeze on house prices has come from the tighter rules over mortgage provision. Banks are under instructions to limit the multiple of earnings they can advance and to demand bigger deposits from the buyers. Higher stamp duties have hit dearer houses where the price falls have been largest.

The issue is how far do we want this to go? Whilst it means more affordable homes, it does not necessarily mean more people manage to buy these homes. If house prices fall because of shortage of mortgage credit, that remains an obstacle to more people fulfilling their dream of a home of their own. Meanwhile the government that says it wants homes to be more affordable continues with penal Stamp duties on many buyers. The London market in particular, where the average price is so much higher, is being badly damaged by high transaction taxes. It gets in the way of people downsizing and upsizing, moving to minimise their travel to work, and impedes people buying to restore an renovate.

When will the government listen to the need to cut Stamp duties some more?

[Wokingham Town Centre comes to life](#)

Yesterday Wokingham was in better spirits with the sun shining. The Marketplace was busy, with the Courtyard restaurant doing a good trade. The new Cook shop opened with many visiting to see the range of prepared meals on offer for home cooking. The sooner Peach Place is fully opened, the better. It was a pleasure to have free parking so I did not need to worry about long I was staying.

A response to the EDM on climate change

The UK has been one of the biggest cutters of carbon dioxide emissions worldwide. Since 1990 UK carbon emissions are down by 43% compared to a target of 40%. The UK met its first carbon budget in 2008-12 and outperformed targets in the second budget 2013-17. All looks good for outperforming again in the current budget up to 2022. In contrast Germany was only trying to get 40% below 1990 by 2020 but is a long way off hitting that target, last seen only 27% below. German carbon output is more than twice the UK's. China and the USA are the two largest worldwide contributors.

If we look at carbon dioxide per head the USA at 15.7, Germany at 9.7, China at 7.7, Russia at 12.3 and the EU average at 7.0 are all well above the UK at 5.7. This is a global issue which needs global policies. The UK is active in pressing for international targets and agreements. It makes little sense for one country to cut back if others do not, and even less sense if a country like the UK cuts back on its own use of energy for production and transport, only to import items that are energy intensive from elsewhere. It is bad for UK jobs and the balance of payments if we uniquely have dear energy that prices industry out of the UK.

The UK government claims to be the greenest ever, and has put a lot of effort into technological alternatives to encourage fuel saving and substitution. The EDM does not recognise any of this. It does ask the government to make more money available for a "green deal". I would need to know how much is being sought and how it is proposed it should be spent. I am always happy to support initiatives to promote fuel saving and would be willing to look at further good suggestions. We need to avoid initiatives that do not make overall net reductions, or destroy jobs and create fuel poverty.

As the EDM says, the good news is we all have access to technology which means we can make a difference ourselves. Ultimately it is about how we all live our own lives. I have taken action to curb draughts and heat loss at home. I try to buy locally sourced food as it makes little sense to bring in food from the continent by ferry or airfreight when we can grow it nearby. I have improved my heating controls and heat my home to lower average temperatures by flexing the temperature to my use of the rooms. I have proposed removing VAT on all green products once we are out of the EU and allowed to do so, as I want better draught excluders, insulation materials and control systems to be cheaper and more accessible.

The public is keen to see cleaner air by setting higher standards on particulates and smoke, and to pursue commonsense policies to promote better insulation, greater fuel efficiency and fewer food miles. It is also important for individuals to choose to limit family size if they care about the demands on planetary resources. The UK rightly does not favour any government controls on such matters in the way China did for many years. Governments can help create a climate where people self impose sensible limits on population growth in the interests of sustainability and limiting demands on resources, and can control migration levels.

Good Friday in Wokingham

I attended All Saints Church this morning for the ecumenical Good Friday service. The congregation then walked to Market Place to hear the Easter production.

This year's play was a well crafted reminder of the life and work of Jesus, and the significance of his death on the cross. The play stressed the Christian values of including everyone, rich and poor, successful and unsuccessful, fit and sick, and of showing sympathy and tolerance to all. It was a powerful piece drawing on some of the best lines from the New Testament. The Sermon on the Mount was a central text, and memories of some of the miracles performed reinforced the idea that people should extend love and understanding to each other.

It was a timely message , with a decent seized audience there to appreciate it.