

Defend Council Housing



www.defendcouncilhousing.org.uk

September 2012 35p

STOP ATTACKS ON TENANTS

INVEST IN COUNCIL HOUSING

TENANTS ARE FIGHTING privatisation and attacks on our tenancies and rights. Together we can win. In Swindon, Caerphilly, West Glamorgan and Flintshire tenants and trade unions have defeated privatisation of council housing.

And around the country tenants and Councillors are rejecting changes to secure tenancies and council rents.

Housing association landlords are rushing to use fixed 5-year tenancies and up to 80% market rents. They are not democratic accountable and their tenants have no say.

Government has cut council housing capital funding and is attacking tenancies, rents, housing rights and benefits. Tenants are abused and stigmatised disgracefully by ministers.

They have no mandate for this. They are breaking David Cameron's pre-election promise that 'We support social housing, we will protect it, and we respect social tenants' rights,' 30 April 2010).

United campaigns are what's needed in every area to defend, improve and build more council housing.

With a housing crisis, and homelessness rising fast, we demand more decent, secure, really-affordable and accountable council housing now.



A packed meeting at the House of Commons opposes attacks on tenancies, rents and benefits: speaking Gail Cartmail (Unite asst gen sec), platform Owen Jones (Chavs), Councillor Catherine West (leader Islington Council), Eileen Short (Chair, DCH), Austin Mitchell MP and Ken Loach.

Co-Co = privatisation

Some councils and Arms Length (ALMO) landlords are pushing for full privatisation by misselling the idea of Tenant management organisations (TMOs) or co-operatives. Any transfer puts council homes into the private sector, with banks and lenders in the driving seat. (see pp2-3).

Vote no to privatisation. Instead demand investment in existing and new council housing. Rents and charges have more than paid for repairs and improvements.

Government has robbed £68.6 billion from council housing over the last 30 years – we want it back, invested to

improve existing and build new.

We need to defend the principles of secure tenancies and genuinely affordable rents, decent homes and a democratically accountable council landlord.

Our rights are hard won. Tenants with trade unions fought to get rid of slum landlords, demand decent standards and defend fair rents and in 1980 secure tenancies.

Decent council housing with secure tenancies, lower rents and a democratically accountable landlord, is the alternative to insecurity, high rents and debt in the private sector.

Tenancy consultation: defend security and lower rents

COUNCILS LANDLORDS ARE drawing up new Tenancy policies. The Localism Act 2011 means local housing authorities must produce a new Tenancy Strategy by January 2013.

Tenants and trade unions are linking with housing campaigners to demand Councillors rule out any use of the new Fixed term tenancies or up to 80% market rents (called *Affordable* rents).

Councils can also tell housing

associations and other landlords locally they do not want them to use Fixed term tenancies or up to 80% market rents for future tenants.

Hundreds of tenants, unions and housing organisations, MPs, councillors and individuals are calling on councils not to attack tenants' rights, and to campaign for fair rents, no evictions and more council housing. See Housing Emergency statement [back page].

MARCH TOGETHER ON 20 OCT

The Government's attack on council housing is part of a massive onslaught on the NHS, schools, libraries and all our services, jobs, wages and benefits.

Tenants and workers did not cause recession but we are being made to pay for it. In the last 30 years council housing has been robbed by government of £68.6 billion. We demand that money back – invest in council housing and create the new and improved homes we all need.

Tenants are joining the million-plus march on 20 October, called by the TUC for a Future that Works. Marching and organised together tenants, trade unions, anti-privatisation and anti-cuts campaigns can make a powerful force.

MARCH FOR
A FUTURE THAT WORKS
LONDON SATURDAY 20 OCTOBER 2012
www.afuturethatworks.org.uk @futurethatworks #oct20

Why we say NO TO PRIVATISATION

in brief

Scotland

In Scotland 23 councils are building 3,300 new council homes, with funding announced for an extra 1,000 from the Scottish Government and local authority match funding. The Scottish Government say building the extra 1,000 council houses will support around 1,200 jobs in the construction industry and 700 more in related trades.

Some Councils are threatening big rent rises to help fund new homes. Scotland already has a self-financing system – but this doesn't mean council housing is adequately funded. Historic housing debt, already paid for through the £68.6 billion robbed from Council Housing in the UK over the last 30 years, needs to be written off in Scotland too!

Wales

Caerphilly, West Glamorgan and Flintshire tenants are the latest to vote NO to privatisation. They follow Swansea and Wrexham where tenants organised an effective campaign against stock transfer. This strengthens the campaign against transfer in Wales, where tenants and councillors have been pressurised to consider privatisation.

The fight now has to go to national government. Given the position with Wrexham, Denbighshire and Flintshire all voting to retain their housing stocks we have a clear mandate for a fairer funding system for council housing," says Councillor Aaron Shotton of Flintshire Against Stock Transfer.

Tenants, unions and politicians in a united campaign can stop privatisation of council housing. Make sure tenants hear the case against, get Vote NO leaflets and discuss the case against transfer in meetings, lobbies and the media.

The Public Accounts Committee of MPs found it costs £1,300 more to improve each home through stock transfer than if the Council do the work.

HIGHER RENTS AND CHARGES

Rents and charges are much higher than council rents. Council secure tenancies legally guarantee a 'reasonable' rent. Housing associations are allowed by law to charge a market rent.

MERGERS AND TAKEOVERS

Many transfer landlords are taken over or merged into bigger companies: around one in 15 since 2005, including many council transfers.

Tenants have no say. Your vote on transfer is the last one you get – after that business interests decide. Decisions after transfer are dictated by the business plan. Local control is a broken promise.

RISK

Housing associations/PRPs are today big business. Many have thousands of homes regionally or nationally, and diversify into for-profit and non-housing businesses.

Local associations are often swallowed by big companies a few years after privatisation. They chase profits (or 'surpluses') through private development.

Transfer tenants have seen takeovers and mergers within weeks. Promises go out the window; they are a contract between landlords and are not enforceable by tenants.

Transfer is a one-way ticket. If things go wrong there is no return.

● For more on the case against transfer see www.defendcouncilhousing.org.uk

TRANSFER MEANS PRIVATISATION

Housing associations (now called Private Registered Providers PRP) are private companies in law. Talk of 'not for profit', community-owned or co-operatives is window dressing: it does not change the legal facts.

They are increasingly run as big businesses, with bond issues, land speculation and 100 per cent 'for profit' house building. Banks, lenders and the balance sheet rule. Their borrowing is more expensive, they pay VAT (unlike Councils), are not subject to Freedom of Information (FOI).

LOSS OF SECURE TENANCY

Council 'secure' tenancies are lost after transfer. Housing associations/PRPs promise added rights they claim are equal to council tenancies but these promises are not statutory rights and can be over-ruled in court. And new tenants won't get these protections.

Many PRPs are rushing to use fixed term tenancies and up to 80% market rents for new tenants. This will break up communities, and divide tenants, and could be the first move to higher rents and less secure tenancies for all.

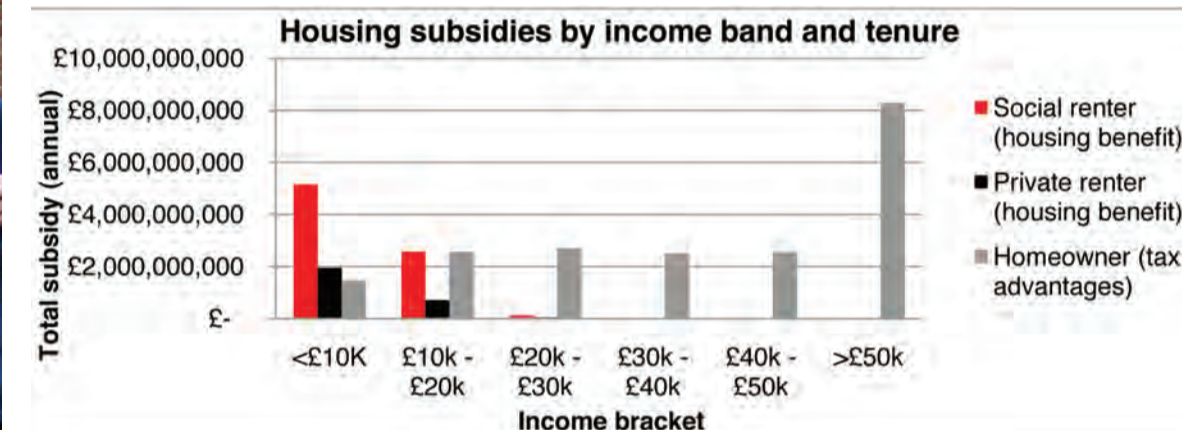
MORE EXPENSIVE

Housing associations/PRPs pay more for borrowing, have higher management costs and gross fat-cat salaries.



Swindon tenants vote 72% No to privatisation following a united and determined campaign.

WHO REALLY GETS SUBSIDY



From: http://england.shelter.org.uk/_data/assets/pdf_file/0009/418338/Shelter_Policy_Briefing_-_Held_Back_Households_-_February_2012.pdf

Tenants voting against transfer

Swindon Council tenants voted 72.3% NO to transfer, on a 65.6% turnout, in December 2011.

'We put over the message, don't waste your vote. It was the high turnout that delivered the decisive majority.'

● Martin Ballard, Swindon Keep Our Council Homes

Flintshire tenants in North Wales voted 88% NO on a 71% turnout in March 2012.

'My Nana will jump for joy in her council bungalow (even at 86 years old)! Well done to all the campaigners, councillors, trade unionists and tenants.'

● Sean Bibby

so decisive, in my view, was that tenants know a hard sell when they see one.'

● The Council organised an undeclared Yes campaign. Every piece of their propaganda was designed to lead tenants to the conclusion there was no alternative to transfer. Staff visited tenants on doorsteps, phoned them up.

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so decisive, in my view, was that tenants know a hard sell when they see one.'

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Sheffield campaign success

Sheffield tenants voted by 88.2% to scrap housing arms-length management, in February 2012. Leaflets, meetings and campaigning at consultation events, letters and photos in the local paper, a stunt outside the Town Hall, touring estates with a loudspeaker – all helped to raise awareness of the importance of this vote for the future of council housing.

Sheffield trades unions and tenants say they aim to 'restore the former high tenancy and employment standards of Council owned and managed council housing.'

ALMO: Bring it back in-house

MOST OF THE 60 COUNCILS with housing Arms Length Management Organisation (ALMOs) are reviewing their future, as further funding has ended.

Sheffield ALMO will be scrapped after tenants voted to bring housing back into the Council. Others including Ealing, Slough, Sandwell, Rotherham and Newham have or are getting rid of their ALMOs.

But Government is still promoting full privatisation. In a push for private and voluntary sector take over of public services, ministers are looking at 'moving arms-length management organisations in social housing into the housing association sector.' (Open Public Services Reform White Paper 11.7.2011)

Rochdale, Durham, Gloucester

and Bolton councils have already used claims of 'community' and 'co-operative ownership' to sell the transfer of council housing out of public ownership. This is a false promise, a cover story to disguise the fact of privatisation and discourage a campaign against transfer.

It was drawn up by the National Federation of ALMOs and helps to keep them in business. Some ALMOs are already planning take over of council and other public services and jobs as part of two-stage privatisation.

The chief executive of Gloucester's ALMO City Homes shows their thinking about plans for their Community/Council 'Co-Co': 'it delivers the investment and allows us to raise private finance in the same way as a

traditional stock transfer.'

Any housing stock transfer puts council homes into the private sector. Despite claims of community ownership, the Board is bound by Company Law (see 'No to transfer' above).

Bringing housing management back 'in house' as a directly-accountable council service, cuts out the extra cost of duplicate management, and is better protection against further privatisation.

There should be a full democratic debate on the future of ALMOs, with meetings where tenants debate both sides, and a full ballot.

We say bring housing management back in house, end the threat of two-stage privatisation and build a united campaign for investment in council housing.



WARNING!

Buying your council house risks high service and other charges and debt, repossession and homelessness

Council homes sold will NOT all be replaced

Promised replacement homes can have fixed five-year tenancies and up to 80% market rents

Join the campaign for first class council housing – decent, affordable, secure and accountable

Cut rents not benefits – stop evictions – build the council homes we need

With five million on waiting lists and homelessness growing we need more council housing

PO Box 93819, London E2 9HW info@defendcouncilhousing.org.uk www.defendcouncilhousing.org.uk

DO NOT FOLD

< The Housing Minister is spending over £1 million on publicity and more on new staff to promote the latest Right to Buy scheme. Our new poster warns of the dangers for tenants.

Bricks or benefits

A Shelter report, May 2012, sets out arguments for investing in new homes to bring down the housing benefit bill by reducing the cost of housing and lifting households out of the benefit trap.

It concludes 'Government should back measures to substantially increase the supply of housing, and in particular genuinely affordable housing.'

● http://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/policy_library_folder/bricks_or_benefits_rebalancing_housing_investment

Rents battle

The new Self financing settlement from April 2012 has pushed up rents, with 8-10 per cent increases common this year.

Newcastle and Cambridge councils protested to government at Self-financing formula calculations which are forcing up rents. Newcastle's lead councillor for housing called for a tenant campaign against the rent rise.

Government is again demanding council rents go up fast till they reach higher housing association/PRP rent levels. In addition many Councils will push through more big rent rises, to make up for inadequate funding settlement from Government.

Tenants can not carry all the cost

of additional debts and capital works. Rents are high already. Around a third of tenants do not get Housing Benefit (HB) and most face wage freezes, higher fuel charges and cuts in Tax Credits, Council tax benefit and other benefits.

Further cuts in HB for those with over-18 year old children or other 'non-dependent' adults at home, plus 15-25% cuts for those hit by the bedroom tax, mean rent rises are a real threat which tenants will oppose. Instead Councils need to freeze rents, promise no evictions due to arrears caused by Benefit cuts, and join a campaign for the 'sustainable, long term' financing for council housing Ministers promised.

AFFILIATE AND ORDER MATERIAL FROM DEFEND COUNCIL HOUSING

Annual affiliation fees:
Tenants/Community Organisations: Local £10 District/Regional £25 National £50
Trade Union Organisations: Local £50 District/Regional £100 National £250

Copies of this newspaper
£20 per 100 / £120 per 1000

Case for Council Housing pamphlet £10 (or £2.50 for individual tenants / bulk orders)

House of Commons Council Housing group report

'Council Housing: Time to invest' £10
(or £5 for orders of more than 10 copies)

Annual subscription to Campaign Mailings & Briefings £15

Posters £1 for 10, £7 for 100

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Address
Organisation Position.....
Tel No(s) Email.....
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Affiliation fee Amount £.....
Mailing Subscription Amount £.....
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Donation Amount £.....
(Cheques to Defend Council Housing) Total Amount £

Send to:
Defend Council Housing,
PO Box 33519,
London
E2 9HW

Build the homes we need

Council housing has served many well. It is worth defending for today and for future generations. It is designed to meet **decent** standards – though tenants have to fight to ensure those standards are kept, and repairs and improvements done.

Council housing is the most **affordable**, with the lowest rents of any tenure. That remains true although government underfunding is pushing rents up.

It is **secure**, with the most secure tenancies you can get, providing a stable home and community for nearly two millions tenants and their families.

And it is owned and run by elected councils, so it is democratically **accountable**. That means tenants can influence how their homes are run.

Council housing should be available to all, on the basis of general need. We reject means testing, or the creation of residualised housing of last resort. Maintaining access based on general need, not income or employment, is vital to mixed and stable communities.

We need investment to improve existing and build new council housing, as an alternative to the crisis of the private housing market.

What you can do

Councils are deciding on new Tenancy Strategies now, so this is the time to lobby to keep secure tenancies and genuinely affordable rents, maintain council housing for general need, and reject means testing.

- Organise local meetings. Hold meetings on estates and in community centres, bringing together tenants organisations, trade unions, councillors and campaigners to oppose government attacks on rents and tenancies, and organise against Housing Benefit cuts and evictions.

- Demand your council does not implement attacks on tenancies and rents, and put pressure on other landlords not to use fixed-term tenancies or up to 80% market rents.

- Bring together Council and other tenants groups and housing campaigners (see **Housing Emergency** statement right).

- Organise a local delegation to the 20 October TUC march – contact local trade unions for free transport.

HOUSING EMERGENCY

TIME FOR AN ALTERNATIVE

Government policies are fuelling a housing emergency, with an all-out attack on tenants and council housing.

With house building collapsing, mortgages unaffordable, and private rents rising, Government is forcing up rents, attacking secure tenancies, and drastically cutting housing benefit.

1.3 million private tenants facing homelessness or debt (Chartered Institute of Housing), and 7 million reported using credit to pay for their home last year (Shelter). Homeless applications and rough sleeping are already rising; there are 4.5 million people on housing waiting lists.

Government's housing measures do not have an electoral mandate. They will create more evictions, homelessness and fear, but will not curb high rents. They do nothing to create secure, affordable homes for rent desperately needed for all those who are priced out by the housing market. They will create exclusion zones driving out the low-paid, the sick and the poor, and their families.

We call on Councillors, MPs, tenant and trade union organisations, housing, disability and poverty campaigners and all who want

sustainable, mixed communities across the UK to join in a campaign around these Action points:

1. Resist and campaign against cuts in housing benefit: we call on Councillors and other landlords not to evict tenants who fall behind with their rent as a result of the new cuts in housing benefit.
2. Reject huge council rent rises driven by government debt and inflation formula.
3. Oppose the use of so-called "Affordable Rent", in fact unaffordable and insecure, with near-market rents and time-limited tenancies.
4. No scapegoating: The shortage of housing is a result of underinvestment and failure to build. It is not caused by existing or would-be tenants, in work or not, and of whatever race or religion.
5. Defend security of tenure for existing and future tenants.
6. Regulation to control private sector rents.
7. A programme of investment in new and improved council and other house building at genuinely-affordable rents.

It's time to stand together, in a united, determined campaign to stop these attacks and demand investment in the homes we need: secure, accountable and genuinely affordable.

Signatories so far include: **Ken Loach** film director, *Cathy Come Home*; **Ken Livingstone** former Mayor of London; **Austin Mitchell MP**;

John McDonnell MP; **Jeremy Corbyn MP**; **Caroline Lucas MP**; **Eileen Short** chair Defend Council Housing; **Disabled People Against Cuts**; **National Private Tenants Organisation**; **Dr Stephen Battersby** retiring-President Chartered Institute of Environmental Health; **Len McCluskey** General Secretary Unite union; **Steve Murphy** General Secretary UCATT; **Paul Kenny** General Secretary GMB; **Mark Serwotka** General Secretary PCS; **Housing Justice** Christian Action On Housing; **Liz Davies** barrister; **Labour Representation Committee**; **Right to Work Campaign** Tenants Forum) • Ian Jones, Chair of Panel Plus, member of East Regional forum Family Mosaic • Kirklees Tenants Federation • Leeds Tenants Federation • Rotherfed – Rotherham Tenants Federation • Tower Hamlets Tenants Federation • Ipswich & District TUC • Southampton and South West Hampshire TUC • Brent TUC • Andover Trades Union Council • Linda Burnip, co-founder DPAC (pc) • George Binette Camden Local Government Unison branch secretary pc • Cathy Watson Chair, Welwyn Hatfield Labour Party • David Lascelles GMB branch secretary Scunthorpe • Duncan Bowie University of Westminster • Dr Robert Hunt, Sheffield Hallam University • Sharon King, City Lit London • Kit Withnail Birkbeck College • Dr Anna Livingstone Limehouse Practice London E14 8HQ • Cllr Elise Benjamin Lord Mayor, Oxford City Council • Cllr Duncan Kerr (Green Party) Bolsover District Council • Cllr Tom Harris Stafford BC • Councillor Mike Roberts Rushmoor • Councillor Sarah Finch Reigate and Banstead BC • Councillor Phil Waker Barking & Dagenham • Councillor Samir Jeraj, Norwich City Council and many more...

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