

Housing crisis Con-Dems are presiding over a growing social catastrophe

Paul Kershaw

The latest government figures show that the number of people approaching their council as homeless is 23% higher than at the same time last year, while the proportion being accepted as homeless and helped with their housing actually fell by 2%.

These figures point to a growing social catastrophe over the next few years as the impact of planned benefit cuts will come on top of the pain of recession.

The government's 'Localism' bill will weaken the rights of homeless people further, allowing councils to push homeless families into privately rented accommodation rather than social housing. This will lock them into insecure, poor quality housing. Changes will also allow councils to alter the way they count the homeless so they can hide the problem by redefining homelessness.

For each person homeless there are many more living in impossible conditions with their lives dominated by the fear of losing their home. A new survey commissioned from YouGov by the housing charity Shelter shows a jump in the number of people suffering stress and depression of seven million people since its last survey in 2009. The average rent rose by 0.5% to £696 (£996 a month in London) in May, the fourth successive month of growth, according to the latest index from LSL Property Services. That brings rents to a new record high.

No relief from rising rents is in



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sight. A report from Rightmove has forecast a 10% rent rise over the next year. Rising rents have forced record numbers of young couples to share flats rather than get a place of their own. Over the past year alone the number of couples looking to share a flat with other tenants has soared by 81%, according to research by the easymate.co.uk website.

Trade unions and housing campaigners need to give expression to the growing frustration and misery behind these figures. Repossessions (up 15% in the first quarter of the year) and evictions are a result of the impact of rising prices and rents along with stagnant wages.

But as the housing benefit cuts bite over the next few years things

will get much worse for groups such as the unemployed, the disabled and pensioners. It is vital that the trade unions campaign energetically on the questions of low pay and housing.

It is a scandal that the minimum wage is to be increased by less than the government measure of inflation, which itself is an underestimate of inflation experienced by the poor and low paid.

Private rents must be capped as an emergency measure. The Tory/Liberal response to rising rents of cutting benefits is a scandal in this situation and their plans must be reversed immediately. Labour also had plans to cap benefits and now just criticises the government for

moving too fast.

But even before the housing benefit cuts bite, and without a mass campaign of explanation, a recent poll shows that 65% of people believe that housing benefit should stay at current levels or be increased (Inside Housing, 17 June).

The underlying issue remains a shortage of decent housing. House building is at its lowest peace time level since just after World War One and the government plans a 63% cut in funding for social house building with future homes to be at near market rents.

The banks should be fully nationalised and made to give low interest loans for a massive programme of house building and repair.

Fast news

PFI man

Predictably many Tory backbenchers regard the prime minister's cosmetic changes to the government's health and social care bill as a capitulation. Another politician critical of "David Cameron's retreat" is Labour's former health secretary, Alan Milburn.

Milburn, who is Cameron's social mobility adviser, went on to describe the token changes as the "biggest nationalisation since Nye Bevan created the NHS in 1948". This bizarre comment has no basis. Privatisation through Private Finance Initiative (PFI) schemes is continuing, with Tory chancellor George Osborne approving another 61 schemes worth £7 billion. This, despite rubbishing PFI schemes when in opposition.

PFI schemes were introduced into the NHS by Alan Milburn during his tenure at the department of health. They involve private corporations building and refurbishing hospitals and then leasing them back to the NHS for a fat fee thereby draining the NHS of resources.

Last August the department of health said NHS organisations will, through PFI schemes, eventually pay over £50 billion for buildings worth £11 billion with maintenance charges adding a further £15 billion.

Withering comment

Another Labour politician talking out of his hat is Lord Beecham. The life peer wrote to the Guardian following the newspaper's recent light-hearted reference to Frederick Engels, the socialist revolutionary who collaborated with Karl Marx. According to Baron Beecham, "it was Engels who advocated 'the withering away of the state' which the government is sedulously promoting." That phrase by Engels referred to the gradual dissolution of class society and the instruments of class oppression during the transition from socialism to communism - unfortunately not a description of the UK in 2011 and certainly not a future desired by the leaders of the Labour party!

Fat fee

Pity the Lib Dems whose fluffy, caring image has been brutally shattered by climbing into bed with the Tories.

However, as their electorally popularity slumps due to the coalition government's savage cuts, it's not all bad news. It seems that their image has soared in big business circles. So much so that they can now charge bosses £3,500 for a table of ten at their first gala dinner. And according to the FT the Lib Dems "are introducing new 'premier' tables, with opportunities for corporate branding, for a steeper fee of £5,000."

They will also be hosting a 'corporate day' this September for chief executives and directors, charging the fat cats £350 a head - the same price as Labour's business dinner.

It figures

Tory minister Francis Maude has attacked the 'low turnout' in the trade union ballots for strike action on the 30 June. Maude omitted that postal ballots were imposed on the trade unions by the Thatcher government deliberately to weaken democratic participation. He also failed to mention that the combined general election votes of the Tories and Lib Dems were only 38% of the electorate - not exactly a majority!

Finsbury Park - No to A4e cheap labour schemes

Neil Cafferky

David Cameron's 'big society' is a backdoor attempt to introduce privatisation into our public services and undermine wages and conditions of workers.

One 'big society' company is A4e. On its website visitors are greeted by the ringing declaration of A4e's pledge: "A4e is a social purpose company with one sole aim. To improve people's lives around the world. We do this by helping them to find work, skills, direction - or whatever it is they need."

The reality is somewhat different. As the government continues to make cuts in the department for work and pensions, and in particular, Jobcentres, A4e is ready to step into the gap by winning government contracts to provide the same service.

The advantage from the government's point of view is that for profit A4e is a non-unionised workforce unlike DWP workers, who are organised in the PCS union (and are striking on 30 June).

One of A4e's ventures involves a partnership with Finsbury Park Business Forum to provide wardens for the local tube and overground train and bus stations. These wardens are supplied by A4e from job-seekers who work in exchange for their benefits. They are doing work that had previously been done by Transport for London (TfL) staff.

This is at the same time as Trans-

port for London is sacking 800 staff on the Underground. Naturally this has drawn an angry response from trade unionists, with RMT London regional organiser Steve Hedley writing to TfL demanding a meeting to clarify the situation. Underground workers at Finsbury Park station told the Socialist that they're extremely unhappy to see their colleagues lose their jobs and be replaced by people on a fraction of their wages.

Socialists and trade unionists have no problem with schemes that offer the unemployed a chance to get back to work. But the unemployed should not be blackmailed into work through the threat of withdrawal of benefits and they should not be used to undermine the jobs, wages and conditions of those already in employment.

Rather than waste money on private sector fat cats like A4e, back-to-work schemes should be run by properly funded and staffed Jobcentres with the unemployed placed in work on the same terms and conditions as those they work beside.

The biggest problem remains a lack of jobs, with a national average of five claimants per vacancy. Youth Fight for Jobs (YFJ), with the support of seven trade unions, calls for decent jobs and benefits and massive investment in job creation.

Jarrow to London YFJ march
For details: www.jarrow2london2011.wordpress.com
And www.youthfightforjobs.com

Southern Cross bosses demand huge cuts in pay and conditions

After announcing 3,000 job cuts Southern Cross, the near bankrupt private care homes company, has demanded that its workforce accept a new contract of employment that borders on slave labour, with any who refuse the new terms threatened with dismissal without redundancy pay.

The company, which owes £50 million to the banks and £20 million in tax, has also upset its landlords by unilaterally imposing a 30% rent cut for four months.

According to the GMB union Southern Cross is demanding that workers have their hours increased or decreased by 20% as required, or be moved to a different home "within a reasonable area". Workers would no longer be paid for breaks at work, resulting in full-time employees only being paid for 38.5 hours a week instead of 42.

On 19 June it was reported that 200 staff who had not been paid threatened to walk out.

The company also wants workers to carry out other duties such as cooking and cleaning on top of caring and is demanding that workers agree to opt out of the European working time directive which stipulates a maximum 48-hour week. Already many staff work 12-hour shifts and are paid little more than the minimum wage of £5.93 an hour

Southern Cross has insisted that its staff cuts won't adversely affect patient care. However, a Channel 4 News investigation revealed that the care home regulator recently criticised staffing levels in some homes in the six months to April 2011. The Care Quality Commission reviewed 49 homes and found concerns in 26.

Channel 4 News also says it has seen research which shows that in 2010 one-third of Southern Cross homes (265) did not have permanent, registered managers.

It seems that staffing levels and poor management at Southern Cross-run homes were raised by officials in Gateshead Council as far back as 2008.

Southern Cross was bought by private equity company Blackstone back in 2004 who stripped the firm of its capital, selling the homes and renting them back from other companies. This brought Blackstone a mega-profit when it sold the firm in 2007.

The care homes crisis has underlined the failure of the private run-for-profit model to adequately provide public services. However, this remains the model for all the establishment parties, including the Labour party, none of whom countenance bringing such care back into the public domain.

Simon Carter