



photo Paul Mattsson

Local government workers across Britain are facing attacks on their jobs, pay and terms and conditions as part of the Con-Demolition of public services. Labour-led councils have agreed to do the government's dirty work by implementing cuts. Instead, councillors should stand up against cuts by setting 'needs' budgets and demand the required money from central government. The money is there - £120 billion in tax goes unpaid by the rich every year, more than the £81 billion in total the government wants to cut. But the opposition to these cuts is growing. A local government worker in Waltham Forest, north east London, shows how workers are fighting back.

# An offer we must refuse

On 3 May all local government workers in Waltham Forest were issued with a "Terms and Conditions Review". The document states that the council intends to cut £3 million from our wages and informed us of its intended 'options':

- \* No pay for the first three days off sick or reduce occupational sick pay from 100% of salary to 80% of salary for all sickness absence

- \* Reduce sick pay entitlement to a maximum of three months full pay and three months half pay

- \* Reduce the gross salary for all staff by 2%

- \* Reduce the gross salary of all staff by one incremental point

- \* Cease all standby payments - standby duties to be treated as a contractual requirement of the role

- \* Cease all weekend enhancement

The council proposes to opt out of the National Agreement on Pay and Condition of Service, thereby potentially initiating local pay agreements.

The document is peppered with words such as "consultation" and "inclusion", yet it opens by telling the entire workforce that we have been put on notice of dismissal! We have from 6 September to 4 October to accept or on 7 October, like a scene from The Godfather film, we

are going to be given 'an offer we can't refuse', ie dismissed and re-employed on a new 'ready to privatise' contract.

The document states that the cuts package was approved by the council on 8 March. We know because we were there lobbying councillors.

The council has put us through nine council phases of cuts in the last 18 months. Waltham Forest Unison's branch committee has initiated a campaign through the branch to get people to a general meeting on 1 June to discuss industrial action.

At the recent anti-cuts meeting in Waltham Forest everyone agreed to build support for our Unison meeting. This can help gain support from the local community for industrial action to defend our services.

We have agreed to do joint activity with civil servants in the PCS union, teachers in the NUT and UCU lecturers for their pensions strike on 30 June. Joint union strike action is the logical step after the 500,000-strong TUC anti-cuts demo on 26 March.

Workers everywhere should be encouraged to do something on 30 June, whether participating in centrally organised demos or lunch-time protests.

## Fast news

### Tata jobs

Tata Steel, the world's biggest steelmaker, is to slash another 1,500 jobs at plants in Scunthorpe and Teesside. This latest blow to jobs in the north east is on top of the 2,000 axed in 2009.

Then, thousands of steelworkers and their families marched to demand action by the Labour government which, apart from a vague promise of funds for retraining, did nothing to stop the job losses - such as renationalisation. In the previous year Tata Steel had reported a nearly £3 billion profit.

This time Tata says the cuts are due to falling demand and blamed the threat of carbon taxes aimed at reducing greenhouse gas emissions. However, many suspect that the real reason is that its European operations make less profit than its plants elsewhere in the world where labour costs are lower.

### No relief

Chancellor George Osborne breathed a sigh of relief following a 36,000 fall in the total unemployed. However, this miserably small decline means that the UK's unemployment rate remains at nearly 8% officially and the claimant count actually increased in April by 12,400. Moreover, the number of workers in full-time employment fell by 1.4% in the first three months of the year compared with the same period in 2009, while those in part-time jobs rose by 5%. Youth unemployment continues to hover just below the one million mark at 935,000.

With the economy flatlining over the last six months and public spending cuts only now beginning to bite, unemployment could easily breach the three million mark in the next 12-18 months.

### New record

The average monthly rent in London is set to break through the £1,000 mark - a new record. Last month the average London rent was £998, a rise of 8% in a year. At current interest rates, a £1,000 monthly rent is the equivalent of a £180,000 repayment mortgage. But first-time buyers have been effectively frozen out of the property market by the banks and other mortgage lenders. The government's cap on housing allowance will affect one million people nationally with an average loss of £22 a week in London. One-third of these claimants are people in regular employment. And changes to extend the shared accommodation rate to 25-34 year olds will see an average cut in housing benefit of £47 a week, as their benefits will only cover the cost of a room in a shared house, instead of a self-contained flat. New social housing tenants will also see rents rise if landlords charge the 80% of market rents recommended by the government. Many people now face the prospect of being pushed out of many high rent areas or entire cities. Those who do avoid eviction (an estimated 82,000 in London alone face eviction) could end up in overcrowded accommodation as more people are forced to share flats.

# Review: The street that cut everything

Sean Figg

Journalist Nick Robinson follows the residents of a street in Preston who have agreed to go without any council services for six weeks. No one can use leisure centres, libraries or youth clubs. The street lights are switched off and the rubbish starts to pile up. The kids aren't picked up by the school bus, after-school club is off limits and school meals are refused.

The film-makers gradually up the ante. Although the residents have been rebated their council tax and have decided to pool it, Robinson returns one evening to explain that the rebate does not actually reflect the cutting off of all council services. One resident's 82 year old disabled father is receiving £300 worth of care a week. Another resident receives £92 a week in housing benefit and £150 a week in Local Education Authority support for her student daughter. The rebate is less than the street's expenditure!

Robinson makes them choose what they will and won't spend money on leading to massive arguments.

Nick Robinson says several times that "cuts are about choices". This is the 'official' message of the pro-

gramme, but it is not true. The only choice that has been made is the choice of pro-big business politicians to make the working class and middle class pay to fix an economy devastated by the bankers and their profit system. We are getting no choice. There is an attempt to force these cuts on us.

Despite the 'official' message, the response of the residents goes further. One woman - a nursery manager - argued at the start of the programme that she didn't feel she got "value for money" from the council. By the end of the six weeks she says she "supports everything the council does and everyone it supports". Most residents express similar sentiments.

Towards the end of the six weeks the residents write to the local councillors and condemn them for allowing real council cuts to go through. The councillors visit the street and are asked by angry residents how they can sleep at night.

Now that the residents have experienced what cuts could mean they do not support them at all. This is an important point for socialists and anti-cuts campaigners. At the start of the experiment most residents repeated the myths put out by the mainstream media that 'some cuts are necessary' or that the public sec-



Nick Robinson on The Street

tor 'does not give value for money'.

Acceptance of these myths is shattered by reality and turns into boiling anger. This will happen on a mass scale up and down the country

as the cuts bite and a mighty anti-cuts movement will emerge.

**The street that cut everything was shown on BBC1 on 16 May**

# Care homes privatisation hits the elderly

John Sharpe

31,000 people living in care homes face uncertainty over their future.

Southern Cross Health Care, Britain's biggest care homes operator, announced losses of £311 million for the last half year. It admits to being in a "critical financial position" and is battling to avoid bankruptcy. Southern Cross does not have enough cash to survive beyond 30 June.

Rising rents and falling income have opened up a hole in the company's finances.

When the company was owned

by the US private equity group, Blackstone, a rapid expansion plan was financed by selling properties to investment companies and leasing them back on guaranteed, upward only annual rent reviews. Southern Cross pays rent on all their 750 homes amounting to £250 million a year.

As a consequence of the Con-Dem cuts, local authorities are placing fewer people in homes, paying fees of £558 a week. Occupancy rates have been falling.

Already, Southern Cross is closing the Sefton Park Care Home in Lancashire in Scotland leaving 35 residents only 12 weeks to find a new

home. And a "few tens" more homes are to close that are "not financially viable". But the whole company is not financially viable. What happens when it goes belly up?

Local authorities are drawing up emergency plans to deal with the closure of care homes. The uncertainty means that councils are even less likely to send people to Southern Cross now, compounding the crisis.

There have been half a dozen management shake ups in the last two years but to no avail. In a new wheeze they have appointed a new chairman. Yes, you guessed it, a former merchant banker.

Last year 40 homes faced embargoes by the regulator, several facing enforcement orders over hygiene and safety including doors falling off hinges.

This is just one more of example of the private sector's inability to run public services. The spivs and crooks of private equity firms, property speculators and bankers have no interest in providing good quality care homes. They are only interested in making profit.

Councils must have the resources to provide them, planned and organised in a way that includes the residents, their families and workers in the industry.