

DEAR GORDON 2

INVESTMENT IN
FIRST CLASS
COUNCIL HOUSING
MAKES SENSE





2005 Labour Party Manifesto Commitment:

'By 2010 we will ensure that all social tenants benefit from a decent, warm home with modern facilities'

Gordon Brown:

"I cannot promise to implement the fourth option on council housing today [a demand from the Defend Council Housing group for the last six years] but what I will tell you is that councils will be allowed to build homes again." (*Guardian Unlimited*, 18 June)

"Mr Brown has an 'open mind' about the fourth option for council housing, as an alternative to transfer, arm's-length management and the private finance initiative, his spokesperson said this week." (*Inside Housing*, 8 June 2007)

EARLY DAY MOTION 368 "INVESTMENT IN COUNCIL HOUSING"

Signed by 121 MPs – get your MP to add their name in support

"That this House welcomes the Government's new commitment to tackle housing needs; believes that this must include a first-class council housing sector providing secure tenancies, with lower rents and charges and a landlord whom tenants can hold to account as an alternative to ownership and the private housing market and that to achieve this Government must introduce changes to local authority housing finance to enable all local authorities to bring their existing homes up to modern standards, start a new council house building programme and maintain existing and new council housing as first-class housing in years to come; and actively opposes both the stigmatisation of council housing as housing of last resort and proposals to means test or time limit secure tenancies so that local authorities can respect the choice of existing tenants who want to keep the council as their landlord and get their homes and estates improved, house the wide range of people on council housing waiting lists and so return council estates to the mixed communities they were before shortage distorted allocations policies and concentrated deprivation."

Anderson, David	Cohen, Harry	Foster, Michael	Howarth, David	Meale, Alan	Swinson, Jo
Austin, John	Cook, Frank	Jabez	Hoyle, Lindsay	Moffatt, Laura	Taylor, David
Baker, Norman	Crausby, David	Galloway, George	Hughes, Simon	Moore, Michael	Todd, Mark
Bayley, Hugh	Cruddas, Jon	Gapes, Mike	Huhne, Chris	Naysmith, Doug	Trickett, Jon
Benton, Joe	Cryer, Ann	George, Andrew	Hunter, Mark	Olner, Bill	Truswell, Paul
Berry, Roger	Davey, Edward	Gerrard, Neil	Iddon, Brian	Opik, Lembit	Turner, Desmond
Binley, Brian	Davies, Dai	Gibson, Ian	James, Sian C	Owen, Albert	Vis, Rudi
Blackman-Woods, Roberta	Dean, Janet	Godsiff, Roger	Jenkins, Brian	Prentice, Gordon	Walley, Joan
Breed, Colin	Devine, Jim	Goldsworthy, Julia	Jones, Lynne	Prosser, Gwyn	Webb, Steve
Browne, Jeremy	Dismore, Andrew	Hall, Patrick	Keetch, Paul	Purchase, Ken	Williams, Betty
Buck, Karen	Dobbin, Jim	Hamilton, David	Kennedy, Charles	Reid, Alan	Williams, Mark
Burgon, Colin	Dobson, Frank	Hamilton, Fabian	Kramer, Susan	Rennie, Willie	Williams, Roger
Burstow, Paul	Drew, David	Hancock, Mike	Leech, John	Riordan, Linda	Williams, Stephen
Burt, Lorely	Durkan, Mark	Harris, Evan	Linton, Martin	Rogerson, Daniel	Willis, Phil
Butler, Dawn	Efford, Clive	Havard, Dai	Lloyd, Tony	Russell, Bob	Willott, Jenny
Campbell, Gregory	Etherington, Bill	Hemming, John	McCafferty, Chris	Sanders, Adrian	Winnick, David
Caton, Martin	Farron, Timothy	Hepburn, Stephen	McCartney, Ian	Short, Clare	Wood, Mike
Chaytor, David	Featherstone, Lynne	Heyes, David	McDonnell, Alasdair	Simpson, Alan	Wright, Anthony D
Clark, Katy	Fisher, Mark	Hoey, Kate	McDonnell, John	Singh, Marsha	Wright, Tony
Clelland, David	Foster, Don	Holmes, Paul	Meacher, Michael	Skinner, Dennis	
		Hopkins, Kelvin		Soulsby, Peter	



We will not be able to defeat the current crisis unless local authorities are given a much stronger role in providing council housing.”

Frances O’Grady, deputy general secretary TUC

Dear Gordon

We addressed a pamphlet to you last year, when you were still Chancellor, making the case for government to provide the ‘Fourth Option’: improve existing, build new and make first class council housing sustainable.

The private sector failure to provide secure and genuinely affordable homes is now reinforced by the growing housing crisis.

The sub prime market crash in America is rightly ringing alarm bells here. This is the price of pushing people into taking on more debt than they can afford whilst denying them first class public housing sector that people want.

If people don’t have a decent home, if the cost of their housing is too high and their future is insecure then their chances in education, health, work and life are massively diminished.

Everyone welcomed your pledge last year to build three million new homes. We also welcomed the warm words from you and the six Labour Party deputy leadership candidates promising that government would at last invest in council housing.

But neither the Housing Green Paper nor the Housing and Regeneration Bill deliver on the expectations you created. Your plans rely on the private sector but private building is now falling not rising. Registered Social Landlords, increasingly unaccountable big businesses, are also failing to do the job despite receiving massive public subsidies over the last twenty years. The credit squeeze means they can’t raise money on the markets and they will provide less secure, more expensive and less accountable housing.

Your maiden speech as Prime Minister referred to the last two big house building programmes. Council housing was a major part of both. It was decent, affordable, secure and managed by an accountable landlord. Of course when government encouraged councils to cut corners, lower standards meant poor consequences but the best tradition of first class council housing has stood the test of time.

If councils can’t build, our housing drive will fail and nothing will be achieved before a 2010 election. We welcomed Yvette Cooper’s announcement last December of a review into the Housing Subsidy System “to ensure that we have a sus- >>>



Government needs an urgent rethink on traditional labour party policies and central to that should be the provision of decent, affordable, secure and democratically controlled public housing. No more smokes and mirrors on this issue, the answer is simple; direct investment.” **Alan Ritchie, general secretary UCATT**

>>> tainable, long term system for financing council housing”. But councils need something now to enable them all to meet the Decent Homes standard and to assure them that government is committed to fully funding the management, maintenance, repair and improvement of council housing.

If you are genuinely committed to a sustainable future for council housing, the honest position is to announce a moratorium on further privatisation. Anything less amounts to yet more unacceptable bullying and blackmailing tenants and councils down the privatisation road.

We need a ‘level playing field’ now. That should include Management & Maintenance and Major Repairs allowances related to council needs, access to Social Housing Grant and an investment allowance to make building new council housing possible. And you should require extensive public consultation about uses of public land – including the option of building council housing – before it can be sold off for private development.

There is overwhelming support for the ‘Fourth Option’ of direct investment in council housing. Two and a half million existing council tenants in some 200 authorities have rejected privatisation. The 1.67 million households on council housing waiting lists show strong demand. Our campaign bringing together tenants, trade unions, councillors, MPs shows broad public support.

Fifty-two MPs sponsored our four amendments to the Housing and Regeneration Bill. Three quarters of the Report Stage debate was taken up addressing these issues. Both show the strength of feeling amongst MPs.

Three consecutive Labour Party conferences have supported the principles of the ‘Fourth Option’: direct investment in council housing. I hope Labour Party members and trade unions will submit amendments to the Labour Party’s draft policy document published on 2 May, that the case for the ‘Fourth Option’ will continue to be a priority at union conferences this summer and be part of the trade union’s negotiating agenda with government. Finally, I hope that government will listen.

Austin Mitchell MP, chair, House of Commons Council Housing group



This pamphlet carries the crucial arguments and facts that tenants, trade unionists, councillors and MPs facing the threat of privatisation and fighting for new council housing need to organise effective campaigns. Read it and order copies for other local activists and representatives – and make sure everyone in this fight does the same.

“ We’ve had three consultative votes and none less than 95% on each occasion has voted to stay with council provision... at Bolsover we need a level playing field for extra investment... All we want to do is play along a level field with other housing providers.” **Cllr Keith Bowman, Housing Cabinet member Bolsover**

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“ We have fought hard to take Housing to the top of the political agenda because millions desperately want to rent or buy homes at a price that they can afford. Councils will be key if the Government is to deliver the welcome commitment to three million new homes. Councils should be supported once again to build on a grand scale. Direct labour organisations should play their part in new-build and then maintenance. And there must be a level playing-field so that tenants have a genuine right to choose and not be forced to transfer”.

Jack Dromey, deputy general secretary UNITE

“ We’ve got 6000 apartments in the city of Leeds, of which 35% is still currently empty, because people can’t afford to buy them or they have been bought as buy to let and you’ve got nearly 30,000 people on the waiting list. We support this national campaign for direct investment.” **Michael Hall, chair Leeds Tenants Federation**

Introduction

Without a third major council house building programme government has no chance of meeting housing need or the target of three million new homes.

Faced with huge demand for housing; a private sector that has failed to deliver and is now mothballing development of new homes; a credit crunch, growing negative equity and rising repossessions; and an economy heading for recession the case for investing in first class council (public) housing is stronger than ever.

Housing Minister Iain Wright admitted “house builders will not be building, certainly in the short term” (*Inside Housing*, 2 May 2008). Meeting housing need now depends on government dropping its dogmatic opposition to investing in first class council housing.

If people want to be home owners or prefer a Housing Association home that should of course be their right. But 2.5 million existing council tenants should not be blackmailed to accept privatisation. Since council housing is cheaper to build, manage and maintain than the alternatives, it makes both political and economic sense to use public land and public investment to provide a third generation of first class council housing. Lower council rents and secure tenancies are rightly highly valued by existing and prospective tenants (see pages 22-24) and cost far less in Housing Benefit than other tenures.

A level playing field and the ‘Fourth Option’ of direct investment would enable councils to improve existing and build a new generation of first class council housing. It would tackle housing need today and by stopping the robbery, secure a sustainable financial framework for the future.

Many predicted the ‘end of council housing’ back in 2000. The new Labour government had determined to continue the Tory strategy of privatising council housing and their first Housing Green Paper included a target of transferring 200,000 homes a year over ten years.

But council housing is still very much alive and kicking, if depleted and under-resourced. Broad united resistance has frustrated government plans. The ‘run it down then sell it off’ policy hasn’t worked as they hoped.



I welcome the building of 3 million additional dwellings, but at the risk of being described as a militant I suggest that at least one third of those houses should be built, controlled and managed by our local authorities. That is essential.”

Ken Purchase MP

Our campaigning and the stalemate this has produced has finally forced Ministers to announce a review of the HRA system (see page 15). That doesn't mean they are ready to concede the 'Fourth Option' tenants, trade unionists, councillors and MPs have been demanding. But it does show that they are under massive pressure to do so and secure a long term future for council housing.

A million homes have been privatised after unparalleled bullying of tenants to trade secure tenancies and lower rents for a new kitchen and bathroom. Housing Minister Iain Wright now admits there's been a democratic deficit and says he accepts the need for a new code of practice. So much for the charade of 'choice'!

But there are still 2.5 million tenants and with supporters amongst trade unionists, councillors, MPs and others we've built a formidable alliance demanding the 'Fourth Option' for council housing: direct investment as an alternative to the private housing market.

The campaign has broad cross party support amongst MPs and councillors. Three consecutive Labour Party conferences have backed the campaign's demands and a fourth defeat was avoided in 2007 only by avoiding a vote. The issue is due to be debated again in September 2008 and individual party members and affiliated unions have an opportunity to submit amendments to the Policy Commission draft document (see page 34). The TUC and most trade unions back the campaign's demands too.

The financial case for investing in council housing is clear. It is cheaper for local authorities to build, manage and maintain council homes than the alternatives. A big council house building programme can provide secure homes at lower rents with an accountable landlord for the 1.67 million households on council housing waiting lists and others in housing need.

The reason tenants and trade unionists stand by the core principles of democratically elected local authorities providing housing is real and practical. Loose use of the terms 'social' or 'affordable' housing cannot disguise the distinctions. The reason so many council tenants have rejected transfer to a housing association is that they value their secure tenancy, lower rents and greater scope to hold their landlord to account. These are very real advantages (see pages 22-26).

It is therefore outrageous that government still refuses to allow councils to bid for Social Housing Grant (SHG) and build new council homes on a 'level playing field' with other landlords. Ministers say councils setting up ALMOs (arms length companies) or SPVs (special purpose vehicles) can get Social Housing Grant but their homes will have lesser 'assured' tenancies and higher RSL rents. It is discrimination against council housing driven by pure dogma since all SHG is public money!

The official 'Impact Assessment' of the Housing and Regeneration Bill now going through Parliament admits this will mean a limit of around 2,500 new >>>



2.5 million council tenants have rejected privatisation. We're sick of the bullying. We want our homes and estates modernised, a sustainable future for council housing and a programme of council house building. Government needs to drop the dogma and listen up!" **Alan Walter, chair Defend Council Housing**

>>> council homes a year. This is far short of what Gordon Brown suggested last summer when he told a sea of delegates waving DCH's 'Fourth Option' hands at the Amicus trade union conference, "I cannot promise to implement the fourth option on council housing today [a demand from the Defend Council Housing group for the last six years] but what I will tell you is that councils will be allowed to build homes again." (*Guardian Unlimited*, 18 June 2007).

Privatisation of council housing is deeply unpopular. Tenant No votes were followed by changing political control in local elections (e.g. Birmingham, Sheffield, Camden, Edinburgh, Brighton). The *Daily Mirror* warned "The council house shortage could cost Labour dozens of seats at the next General Election" (Labour risk poll backlash on homes, *Daily Mirror*, 20 June 2007).

The report that "Mr Brown has an 'open mind' about the fourth option for council housing, as an alternative to transfer, arm's-length management and the private finance initiative" (*Inside Housing*, 8 June 2007) and press coverage that all six Labour Party deputy leadership candidates supported the 'Fourth Option' for council housing shows that this campaign is hitting the target.

In December 2007 Yvette Cooper, recently promoted to Housing Minister attending Cabinet, announced a review of the HRA subsidy system whose purpose is to create a "sustainable long-term future for council housing" (see page 15). We are promised an interim report that will feed into the 2009 subsidy determination (setting the level of allowances for each local authority) but major changes will not take place until the next Comprehensive Spending Review (2010).

But the report in March from the Government's 'opt out' pilot shows councils face an untenable 43% shortfall in funding to manage, maintain and repair homes over the next 30 years. This massive gap must be filled by ring-fencing all the income from tenants rents and capital receipts to fully fund Management & Maintenance and Major Repairs allowances. The pilot investigated councils leaving the national HRA. It showed the risks are massive but it does not mean that government has necessarily given up on the idea (see page 15).

In 2002 government, faced with tenants in most major authorities refusing to accept stock transfer, was prepared to offer extra public investment in order to bribe councillors and tenants into accepting arms length management organisations

Thatcher used massive public subsidies for 'right to buy' to pursue a political agenda to make home ownership desirable. The 1.67 million households on council housing waiting lists today shows demand for council housing is strong. It is time to drop the dogmatic opposition and fixation with private sector solutions. If government invested in modernising all 2.5 million existing council homes, started a third generation of council house building and stopped the robbery many would jump at the offer of a first class council home with a secure tenancy and a lower rent.

“ It is unrealistic to rely on the private sector to provide decent, secure homes that people on lower incomes need at prices that they can afford; nor is there evidence – quite the contrary – that housing associations are rising to the challenge. Funding for local authorities is grossly inadequate.” **Michael Meacher MP**

(ALMOs). This contradicted the argument they had defended since 1997 that additional public borrowing was impossible because it would contravene the Chancellors’ golden rule.

DCH argued that ALMO was a two-stage strategy to privatise council housing with the deliberate aim of undermining growing demands for direct investment. We predicted that once the additional money was spent there would be moves to take the ALMOs into the private sector or stock transfer their homes.

We understood why some tenants and councillors felt unable to ‘hang on’ and took what they considered was a pragmatic decision to go ALMO. Many accepted the promise that they could return to direct council management once the Decent Homes money had been spent. But our predictions are coming true. Gwyneth Taylor of the National Federation of ALMOs, now arrogantly claims, “The argument that ALMOs were set up for decent homes and should go back to their council has been knocked on the head”. (*Inside Housing*, 25 April 2008).



The common interest uniting tenants in authorities directly retaining their homes and those with ALMOs: long term funding to secure the future for first class council housing, are enabling us to overcome divisions that ALMOs created. The council housing family is reuniting with a renewed determination to stop the robbery and rebuild and reinvigorate the independent tenants movement (see page 32).

The danger is that government will try and exploit opposition from councillors and tenants to negative subsidy and demands that councils should be able to retain all their rental income and capital receipts, to break up the national council housing sector. This would allow them to encourage individual ALMOs and ‘opted out’ councils towards stock transfer or joint venture companies or some other new form (see page 15).

Delaying a new housing finance regime allows government to try another round of bullying and blackmailing tenants to accept privatisation (Housing Minister Iain Wright at a meeting on 30 April denied this was their intention, saying “I won’t say ‘hang on’ but local authorities will know full well the point of this review.” Let DCH know what your council is proposing).

Alongside the financial obsession with private versus public, there’s also a big push – influenced by the neo liberal arguments that council housing increases dependency – to ‘encourage’ tenants into home ownership by the introduction of means testing or time limited tenancies.

>>>



It is time that government settled up on the ‘Fourth Option’ to fund improvements and enabled councils to build a new generation of first class council homes with secure tenancies and low rents which the private housing market is incapable of doing.” **Billy Hayes, general secretary CWU (communication workers)**



Ruth Kelly, then Secretary of State, used a Fabian Society lecture in February 2006 to prompt Professor John Hills to make such recommendations in his report on the ‘Role of Social Housing’. To his credit he refused, and said at his report launch: “if you came with the impression that I was going to be recommending the ending of security of tenure, or that tenants if they’re lucky enough to improve their circumstances will be thrown out of their homes, then you’re going to be disappointed”.

Yvette Cooper promised last year that these ideas had been knocked on the head but they appeared again as clause 67c in the Housing and Regeneration Bill proposing allocations based on “eligibility designed to ensure that it is occupied by people who cannot afford to buy or rent at a market rate”. Ministers were clearly shocked by the scale of opposition and have since introduced an amendment that changes the criteria from low income to ‘housing need’. This still undermines the council housing as a tenure of choice and the scope for new allocations returning council estates to the mixed communities they used to be.

And almost a year after Ruth Kelly’s lecture the new Housing Minister Caroline Flint chose the Fabian Society to make almost the same speech provoking outrage when she proposed ‘commitment contracts’ for council tenants.

The fact is that many can’t afford or don’t want the financial burden and insecurity of home ownership and positively choose to rent. Talk of ‘shares’ and ‘stair-casing’ into home ownership shows an impractical ideological obsession. Paying a mortgage and rent – along carrying full responsibility for repairs – is according to Shelter’s *Roof* magazine the least economic form of tenure, even if massive public subsidies are poured in. Despite endless re-launched and new schemes these are an expensive failure.

‘On Thursday [1 May 2008] a number of close colleagues lost their council seats through no fault of their own: national policies, national decisions and national disasters wiped out years of community work and engagement.

‘As a local councillor, of the hundreds of surgery matters I deal with each year, council housing (or the lack of it) is at the top of the list, by a huge margin. Rotherham has 22,000 council houses and over 19,000 people on the waiting lists. Every time a three-bedroom house becomes available there are hundreds of applications. In these circumstances, it’s easy for the peddlers of hate to suggest that your council house is being given to someone “less deserving”. It isn’t – it’s simply not being given to anyone, as there aren’t any available. If Labour ministers are honest about a willingness to re-engage with our core vote then my suggestion is simple: build some council houses, and not a few hundred. Britain needs three million new dwellings by 2020; one million of those should be council houses’

Cllr Neil License, Labour, Rotherham borough council,
letter to *The Guardian*, Saturday 3 May 2008

“ Housing Minister Caroline Flint statement that tenants must actively seek work or have a job or they are at risk of losing their secure tenancies disgusts me! We are the fattened cow and our rent monies are used by local authorities and the government as a nice little earner.” **Lyn Ralph, chair Doncaster Federation of Tenants**



Only 15% of those accessing public subsidies were from the priority groups of council or RSL tenants (Public Accounts Select Committee, *A Foot on the Ladder: Low Cost Home Ownership Assistance*, March 2007). “Two years after it was launched as an alternative to right to buy, just ten councils are offering Social Homebuy. Only three council tenants had purchased part of their property by the end of March – all from the London Borough of Southwark” (*Public Finance*, 25 April 2008).

Indeed “Housing associations have handed back tens of millions of pounds to the government’s housing agency after its flagship scheme to help first-time buyers proved unpopular and expensive” (*Inside Housing*, 14 September 2007).

Thatcher’s ‘right to buy’ shifted the housing debate to a focus on ‘home owners’ but the fundamental housing problems of shortage, security and affordability remain. Many estates – particularly in inner cities – are now ‘mixed’ tenure with private management agents renting out ex-council homes on six month tenancies at rents four times their neighbours’.

House repossession, loan scarcity and negative equity (“House prices now sliding by £500 a week”, *The Guardian*, 3 May 2008) will further undercut enthusiasm for ownership and increase the numbers of households looking for a council tenancy.

It is not surprising that people say they want to own their own home when they are continually told they’ve no chance of a council tenancy and can see government is deliberately running down council estates. But, in the same way that Thatcher >>>

“ Wherever people want to remain council tenants, they should be allowed and shouldn't be punished by not having their housing done up... If you've got a ballot coming up, fight like hell to persuade people to vote NO - the more people who reject it the better chance we have of turning over this stupid policy.” **Frank Dobson MP**

Particular Issues in Wales and Scotland

Council housing finance in Wales and Scotland is similar to England but there are some differences. The 'Decent Homes' standard is called 'Housing Quality'; there are no ALMO or PFI 'options'.

In Wales, housing revenue is pooled as it is in England. In Scotland, each authority runs its own separate housing revenue account, but has to pay its own housing debt. In both countries the proportion of robbery, either as negative subsidy or to pay debt, is roughly the same; the government also offers billions to subsidise privatisation; with no level playing field.

Scotland has a single secure tenancy enjoyed by tenants of councils and housing associations and the Scottish government has just announced some public money to support new council-house building. Otherwise, although the Housing Bill doesn't affect Scotland, the direction of travel in policy is largely the same (see for example the Scottish government's green paper, *Firm Foundations*). In Wales some of the Housing Bill will have an effect, including our amendments if they are successful; the HRA subsidy review and opt-out dangers are very relevant in Wales.

>>> was able to shift the housing debate to the right, a new commitment to investment in first class council housing would make council housing a tenure of choice again (as if 1.67 million households on council housing waiting lists isn't evidence enough of the demand). What most people want is a secure home they can afford.

Building a third generation of first class homes would also help re-create the mixed communities that council estates used to be. Prof Hills identified that in 1979 “20% of the richest tenth lived in social housing” (page 45, *Ends and Means*, February 2007).

Most of the concentrations of deprivation that Ministers point to today are the direct result of national housing policy. Chronic shortage of council homes forced councils to allocate only to the most desperate: mainly single parents with young children, the disabled and mentally ill. Many who were working in the 1980s and 90s were encouraged to buy their homes (and so are no longer tenants) and others have now reached pension age. It is not surprising that the proportion of tenants not in work has increased.

Today ‘people queuing up to be council tenants are not all poverty stricken and with multiple other problems’ (*Roof* magazine, Shelter, May/June

2007). Council housing waiting lists stand at more than 1.6 million households but almost half the applicants are not considered to be in ‘priority need’. They are the butchers, bakers, teachers and nurses who want a new first class secure council home with lower rents and an accountable landlord. Investment in council housing is central to satisfying this need and, in the process, making the estates the ‘mixed communities’ they used to be.

For more information on this subject go to: www.defendcouncilhousing.org.uk and click on the **Pamphlets** link at the top of the page

“ GMB wants to see a significant programme of new council house building and direct investment to make sure all council homes are excellent family environments. We all know there is a housing crisis and it's time for government to act.” **Brian Strutton, national secretary GMB**

Funding the 'Fourth Option'

Ministers talk up the complications of housing finance to avoid and delay reaching a settlement to the long running dispute over providing the 'Fourth Option'. The HRA (Housing Revenue Account) subsidy system takes 'negative subsidy' from the majority of councils, and gives some positive subsidy to a few. But this should not distract attention from the fact that nationally we are all being robbed. Tear away the mystique and the principles are simple. All the money generated by tenants rents and capital receipts should be ring-fenced for the running costs of existing and to build new council housing. Council housing can no longer be treated as a Treasury cash cow.

GOVERNMENT ROBBS COUNCIL HOUSING

Government starves council housing of funds in two ways. Firstly, they rob our rents and capital receipts. From 1990 to 2003 £13 billion was siphoned out of council tenants' rents to subsidise other government spending: a deeply unjust system known as 'Daylight Robbery'. Campaign pressure forced reform and an increase in resources through the Major Repairs Allowance (MRA). But the robbery continues. That's why we're demanding that all our rents are ring-fenced nationally to be spent on the running costs of our homes. >>>

How Government Robs Our Rents

In 2008/09 each tenant will pay £3,120 per home in rent (£6.1 billion nationally) but only receive £2,391 per home (£4.7 billion national total) back in services. Government lets councils keep just £1,720 per home (£3.4 billion) for management and maintenance and £671 (£1.3 billion) for major repairs. Nationally, this means the government will rob tenants to the tune of £1.4 billion this year, and it's increasing. (Figures from DCLG subsidy determination 2008/09)

Government Robbery of Capital Receipts

- "Receipts from the Right-to-Buy sales of council housing that have yielded around £45 billion – only a quarter has been recycled into improving public housing." (Joseph Rowntree Foundation 01/12/05)
- Stock transfer has produced £6.08 billion 'Total Transfer Price' – money which comes from council housing and should have been reinvested in council housing. (UK Housing Review 2006/2007)

“ APSE would like to see the creation of an investment allowance built into the national HRA formula which enables local authorities to support new build, acquire new social housing and refurbish long term void properties.” **Paul O'Brien chief executive APSE**

>>> Second, having robbed our rents they then offer them back to us – with strings attached. Billions of pounds in public money is poured in to subsidise transfer. If councils privatise their homes a valuation is worked out based on tenants getting higher standards of repairs and improvements than under the maintenance and MRA allowances. If the valuation is positive then it goes towards paying off housing debt – but any ‘overhanging’ debt is written off by government; and in many cases (where the valuation is negative) millions of pounds of dowry payments or ‘gap funding’ is poured in as well. Councils retaining their stock or where tenants vote no to transfer are denied these subsidies – there is no level playing field between council housing and privatisation. It’s financially unjustifiable and morally wrong.

No Level Playing Field: What Government Spends Subsidising Privatisation

The government spent £2.5 billion on debt write-off over the last seven years; it projects that it will have spent another £387 million on gap funding by 2012.

Debt Write-off		Gap funding	
	£ million		£ million
2000-01	276	2004-05	7.6
2001-02	0	2005-06	37.6
2002-03	548	2006-07	21.9
2003-04	91	2007-08	80 (est)
2004-05	591	2008-12	240 (est)
2005-06	386	Total	387.1
2006-07	544		
Total	2,436		

(from Parliamentary answers 25 February 2008)

(from Parliamentary answers 19 February 2007 and 10 March 2008)

REPORT ADMITS THE ROBBERY

Under pressure to sort out housing finance, government in June 2006 launched a ‘self-financing’ pilot involving six local authorities. The results have just been published: ‘Self-financing of council housing services: Summary of findings of a modelling exercise’ (Department of Communities and Local Government, March 2008).

The councils modelled figures based on the existing subsidy system, and exposed its weaknesses and injustice.

Even councils presently receiving net subsidy will soon be in negative subsidy. For example Hounslow, a London borough, will be in negative subsidy by 2010/11. The amount which each council tenant will be paying to the government in 30 years time will range up to £4000+ a year for the majority.

The report is damning evidence that current allowances are set well below the minimum investment need identified by stock condition surveys – and far short of the aspirational standards used to calculate stock transfer valuations.

“The work has also demonstrated...anticipated levels of future subsidy ... are not sufficient to maintain a sustainable level of housing services within the HRA subsidy system.” The report identifies that current allowances “undercuts basic in-



Government is robbing tenants blind. The negative subsidy amounts to a 'Tenants Tax'. We can axe this tax, just like we stopped the 'Daylight Robbery' a few years ago. Persistent campaigning by tenants, councillors and MPs forced a government climbdown then, and we can do it again." **John Marais, Cambridge Tenants Against Privatisation**

vestment needs by 43 per cent over 30 years" (*Inside Finance*, March 2008).

In December 2007 Ministers finally admitted that because rents are rising higher than expenditure tenants will have to pay a tax of £180 million to the Treasury in 2008/09. This is set to increase significantly, reaching nearly a billion per annum by 2022. (Parliamentary Answer, 18 December 2007)

This is on top of the more than £1 billion each year which government has already been taking from council Housing Revenue Accounts. Ministers claim that this is used to support historic debt. But since council tenants neither own the asset or control capital receipts from the sale of council housing we should not be responsible for servicing the debt. So government will soon be robbing tenants to the tune of £2 billion per year – and rising.

HOUSING FINANCE REVIEW – AN OPPORTUNITY AND A THREAT

In December 2007, anticipating the criticisms which would be levelled at the Housing Revenue Account subsidy system following the self-financing report, government announced a wide-ranging review of the system. The review is due to report in June 2009 – not soon enough for tenants – but it is an opportunity for real change which we need to use as a focus for campaigning.

We mustn't let the government use the review to come up with another strategy designed to fragment the system, reduce our collective bargaining power, and drive councils towards a new 'business' model that sees them behave more like private companies, while conceding little to relieve the financial pressures on council housing.

DANGERS OF OPT-OUT

'Opting out' or self-financing is the latest attempt by government to try and fragment the campaign for direct investment.

Council housing needs more resources. But breaking up the national housing system involves serious risks for tenants. The present national subsidy system means that if interest rates or inflation change government bears the risks and councils are protected. As the report makes clear, councils becoming 'self-financing' would be expected to become much more commercial, through 'efficiencies' (read 'cuts'), private finance, building houses for outright sale to generate income for improvements.

The financial risks are considerable. The council would take on a huge debt to buy itself out of the subsidy system, and depend on private lenders if things go wrong. 'Opting out' is another attempt to 'separate strategy and management', a government mantra for which they have no evidence of benefit. In reality it is a recipe for higher costs, less co-ordination, and buck-passing. Tenants want more joined-up thinking, not less!



“ Dagenham tenants have resisted privatisation. We have a great need for housing, we have land and want to build new council housing. At the end of last summer we all thought this could be it with... but it has been slimmed down from council-housing to social housing, to low-cost rental and part-ownership etc.” **Jon Cruddas MP**

>>> Councils (with or without ALMOs) and their tenants can lobby collectively for better resources. In the last ten years we have won the introduction of the Major Repairs Allowance, and postponement of the deeply unpopular ‘rent convergence’ from 2012 to 2017.

The danger is that the government will dangle some kind of carrot – a payment to represent the ‘transfer of risk’ perhaps – in front of councils and tenants to get them to accept ‘opt out’, repeating the divisive strategy they used with ALMOs.

We need to ensure that the outcome of this review is not a two-tier system where extra resources are tied to self-financing or any other strings. Instead we need the principles we have been fighting for: ring-fencing and a level playing field.

All of us need a long-term sustainable future for council housing. Whether our council has retained its management or has an ALMO; whether it’s urban or rural; in positive subsidy at the moment or negative; with-debt or debt-free – we all have a strong common interest in winning the ‘Fourth Option’ and a sustainable future for council housing.

WHAT WE WANT – FUNDING THE ‘FOURTH OPTION’

The changes needed to implement the ‘fourth option’ are simple and clear.

Ring-fence tenants’ rents

Ring fence all the money that belongs to council housing (tenants rents, ‘right to buy’ and other capital receipts) to be used for the management, maintenance, repair and improvement of council housing and for building new council homes

Council rents are set to rise via ‘rent convergence’ but “Tenants face paying an ‘extra tax’ because the council housing finance regime is likely to go billions of pounds into surplus...rental increases will dramatically outstrip the amount of money... to manage and maintain their homes” (*Inside Housing*, 16 November 2007).

Investment Allowance

Fund an ‘investment allowance’ as first discussed in the ODPM’s own blue skies review of housing finance (*The Way Forward for Housing Capital Finance*, August 2003)

In 2004 the Local Government Association and unions put forward a proposal that ‘good’ performing councils should be able to access the extra money available to ALMOs direct. This would not cost a penny more in either cash or borrowing terms than ALMOs.

The Labour Housing Group proposed a “Retained Management Option” ring-fencing the extra money raised through rent convergence. In 2006 they identified an additional £600 million per year government takes from council tenants that could provide ‘headroom’ to support Prudential borrowing as an alternative to privatisation.

“PCS support the call for direct investment and for new first class council homes. Many of our members are some of the lowest paid in the public sector. They need access to first class public housing that is affordable rather than government home ownership dreams that are way beyond their means.” **Mark Serwotka, general secretary PCS (civil servants union)**



Tackle historic debt

Provide a ‘level playing field’ on debt so that authorities where tenants keep the council as their landlord get debt written-off (or taken over) on the same terms as those who sell their homes

The Audit Commission report (*Financing Council Housing*, July 2005) described existing housing finance rules as “perverse” and argued that the current system is not equitable. The report addressed the issue of the small number of authorities with high levels of debt, recommending “giving a specific focus on solutions for those authorities that currently rely heavily on the system”. “Writing off debt owed by local authorities to central government has no effect on the financial position of the public sector as a whole, or on any of the fiscal aggregates.” (Parliamentary Question, 19 January 2006).

“Historic debt from housing spend is generally believed to be about £7,500 per property. This is already public sector debt. Much of this is funded from the Public Works Loans Board (PWLB). Yet if all authorities had opted to transfer their housing stock to a Registered Social Landlord, as encouraged by the Government, then large elements of that debt would have been picked up by the Treasury anyway. Why shouldn’t something then be done centrally about local authority housing debt?” (Ken Lee, Director of Resources, Wigan and Leigh Housing Company and Chair of CIPFA’s Local Authority Housing Panel). >>>



Councils nationally should be allowed to keep their tenants' rents to help meet the £2,250 million more a year needed for the management, maintenance and long term repairs of council tenants' homes." **Brian Pordage (chair Moonlight Robbery Campaign, vice chair of TAROE)**

>>> **Bring allowances up to the level of need**

Set Management & Maintenance Allowances (M&M) and Major Repairs Allowances (MRA) at a level that supports actual costs

According to the Moonlight Robbery campaign, the most authoritative analysis of what management and maintenance (M&M) allowances should be was done by the Building Research Establishment commissioned by Government. (See www.communities.gov.uk/publications/housing/estimation.) The BRE's findings, adjusted for today's prices and stock numbers, shows that M&M allowances are now about £1,300 million too low.

Repair needs over 30 years in six localities, as reported by the Department for Communities and Local Government in March this year (see above) showed that the Major Repairs Allowance (MRA) is 43% below the level needed – a further £950m a year. That gives the total shortfall of £2,250 million.

Spend our money on improvements

Respect tenants choice and stop wasting vast sums of public money on one-sided expensive PR campaigns promoting privatisation

Over £70 million was spent on the set-up costs of transfers from 2005-2008 (Parliamentary answer, 10 March 2008).

Providing more council housing would save on housing benefit: "public spending on bricks and mortar subsidy for council housing [fell] from £5.6 billion in 1980/81 to just £0.2 billion in 2002/03. Over the same period of time total expenditure on housing benefit rose from £2.7 billion in 1980/81 to £8.6 billion in 2002/03" (UK Review 2005/2006).

Continual Improvement Task Force

Encourage best practice by funding a genuinely independent tenants movement in each authority and establishing a Continuous Improvement Task Force to pool expertise from different authorities around the country to help other councils improve their services

After discussions leading up to the 2004 Labour Party conference, Treasury officials endorsed the proposal for investment in council housing so long as extra public money was clearly linked to 'good' (two star) performance. Our suggestion of a 'Continual Improvement Task Force' would help authorities with less than two stars access extra investment.

For more information on this subject go to: www.defendcouncilhousing.org.uk and click on the **Housing Finance** link at the top of the page

“ We face a crisis on a scale that we have not seen since the Second World War; the solution is straightforward: it is called the council house. The community is degenerating, and people live in appalling conditions, while others make vast profits...” **John McDonnell MP**

Why we demand council housing

Council housing can provide the decent, affordable, secure, and accountable homes that people need. Here are the facts, to answer the myths and attacks on council housing. This is why council tenants fight against privatisation, and why we are lobbying for a new generation of first class council homes

COUNCIL HOUSING FOR ALL

Surveys and ballots demonstrate council tenants have a very strong preference to remain as tenants of the council, not housing association or worse still profit-making landlord. We resist privatisation because we want to keep our homes secure, affordable and accountable. As the private market crashes, it exposes the need for more council housing for all those who need it.

When government forced English local authorities to carry out an ‘options appraisal’, the vast majority chose to retain their homes, after tenants’ ballots returned high percentages in favour (eg Mid Suffolk 97%, New Forest 94%, Darlington 95%, Leicester 92%, Babergh 98%). Where councils promoted transfer, despite £100,000s worth of glossy propaganda many tenants still rejected privatisation, including most recently in Brighton, Castle Point, Tamworth, Lewisham, Oswestry and Lambeth.

In Scotland of the 29 stock-owning local authorities, 18 positively chose a strategy of retention. Seven pursued large-scale transfer, but in four of these areas tenants voted NO, despite the bribe of extra investment. In Wales, where Swansea tenants recently voted NO, many authorities are still holding out against pressure to privatise.

Tenants’ opposition to transfer to housing association landlords, is partly resistance to moving from public to private sector. The National Housing Federation (the trade body for housing associations) is so sensitive about the term ‘privatisation’ they took DCH to the Advertising Standards Authority recently. The ASA dismissed their complaint and agreed it was not misleading to call transfer privatisation.

Housing associations are far from being the cuddly, safe, accountable local companies claimed by those trying to push council tenants into transfer and by those who think it doesn’t matter who builds new ‘social’ housing. The biggest housing as- >>>

“ Why should Council House tenants be treated as if they were somehow in transit? Instead of making people feel that Council House occupancy is little more than a temporary aberration we should be building homes fit for the future and homes to be proud of.” **Dave Anderson MP**

>>> sociations are keen to shed regulation, to float on the stock exchange and become profit-making. For now, their lobbying has been blocked (see page 30). But the risks are still there. The only way to keep our homes secure, affordable and accountable is to resist any attempt at privatisation and keep them in the public sector.

When we demand new council houses we're talking about housing directly owned and managed by local councils with secure tenancies and lower rents.

It's outrageous for government to claim they're putting councils at the centre of delivering new homes when all they mean is speeding up the planning process, or donating public land to build private homes (the catch behind the new 'Local Housing Companies'). Homes built through ALMOs and Special Purpose Vehicles are not 'council housing' because they will not have secure tenancies and low council rents; as the Department for Communities and Local Government have confirmed:

“If new homes are developed and owned by a separate corporate vehicle, including an ALMO or SPV, then the advice we have received is that the local authority would not have the landlord interest necessary to meet the statutory conditions for a secure council tenancy... the contractual conditions for receiving grant will ensure they are offered on the same conditions, including tenancies, rents levels and lettings policies, as new social homes provided by RSLs with social housing grant.” (email from DCLG, 5 March 2008).



DECENT

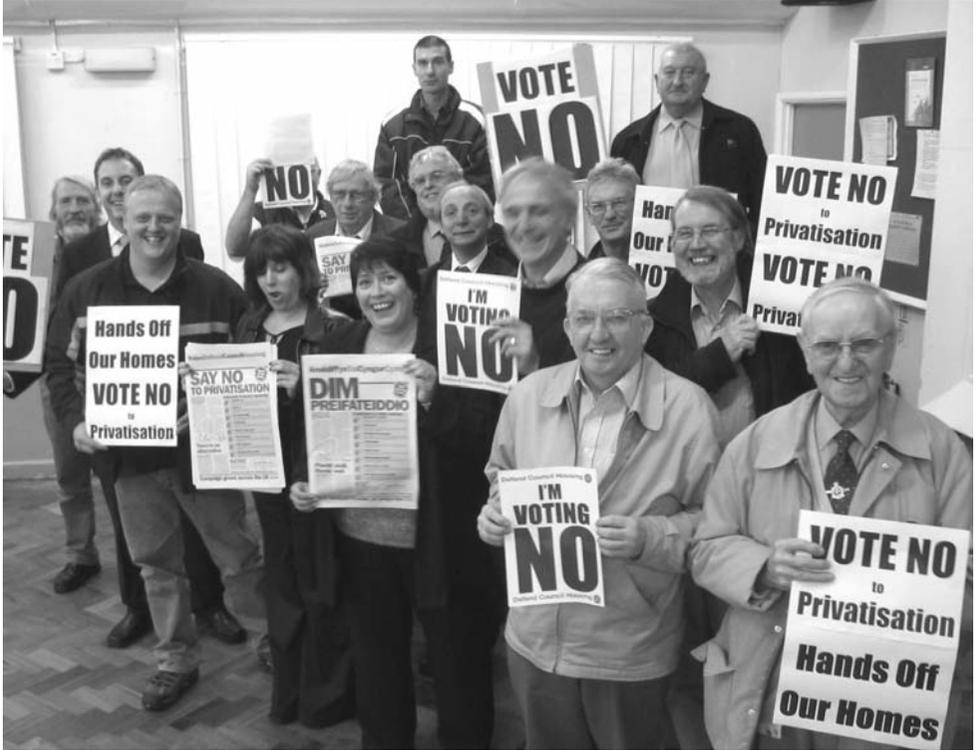
In the first phase of council-house building councils built traditional family houses with gardens, to higher standards than those in the private sector. Much of this council housing was – and still is – of a far higher quality than private housing. The main problems associated with council housing have been caused by lack of investment, later short cuts in construction, and lack of supply.

The idea that council housing should only be for those in desperate current need, fuelled by the false premise that our homes are 'subsidised' by the taxpayer, is utterly wrong.

Council housing is not subsidised by the taxpayer, but the other way around (see page 13). Housing associations on the other hand are private companies which the tax payer subsidises (through Social Housing Grant), without any public stake in the assets. As Professor Hills' report shows, homeownership is the most heavily subsidised form of housing in England, with £18.4 billion in 2004-05 compared to £15.4 billion on council and housing association housing (including housing benefit) (*Ends and*



I view with mistrust government proposals for mixed tenure estates and shared ownership. There are no convincing models yet produced that are affordable to low income families.” **Alex Brown, secretary Yorkshire & Humberside Tenants Federation**



Means: The Future Roles of Social Housing in England, February 2007).

While refusing to build more council housing, which supports itself and contributes to the country’s wealth, the government pours billions of pounds into the pockets of profit-making companies, buy-to-let consortiums and private individuals, subsidising their gains through tax breaks and housing benefit. This public spending does not improve services: 41% of private rented homes are not of a decent standard (*English House Condition Headline Report, 29 January 2007*)

Relying on the private rental market also causes social problems: “Guardian Money has been overwhelmed with stories across Britain of how rampant landlords have elbowed aside young adults trying to get a foothold on the property ladder, devastating once-stable neighbourhoods...The one common theme is that the buy-to-let brigade, helped by tax breaks and easy lending, are able to outbid local first-time buyers and then, all too often, fail to maintain their properties or monitor their tenants.” (*The Guardian, 9 June 2007*)

The only way to change this is to improve the quality and increase the supply of decent, affordable, council housing.





Two or three housing associations operate in my constituency, and their head offices are in cities that are miles away... housing associations have a poor record of being accountable. Housing associations have not delivered the alternative in the wonderful mixed market that we have heard so much about.” **Paul Holmes MP**

>>>AFFORDABLE

Professor Peter Ambrose demonstrates what affordability means – the private market simply doesn’t deliver it (see box on page 23). Housing charity Shelter’s *Roof* magazine found house prices for first time buyers up 200 per cent, and average mortgage payments up three times more than average income, in 10 years:

“HOUSE prices for first time buyers throughout the UK have risen a staggering 200 per cent in a decade, the annual Roof Affordability Index has revealed.... The Index also shows that while the average weekly income of working households has risen 53 per cent over the last 10 years from £590 to £900, the average monthly mortgage payment has increased dramatically over the same period from £304.80 to £827.87 – a rise of 172 per cent.” (Shelter, 17 April 2008)

As council tenants we have a unique statutory right to a ‘reasonable’ rent. Housing associations are allowed by law to charge a market rent and only government policy, at present, protects their tenants from the full onslaught of the marketplace. This could change.

Pressure from lobbyists in the housing association sector to be allowed to raise their rents higher continues:

“We are calling for: a reform of rent policy to allow associations more flexibility in rent setting ... Options include higher indexation, removal or raising of caps, wider spread between rents on small and large dwellings, differential rents for people on different incomes.” (*Sharing Our View*, G15 Group of Housing Associations, April 2006)

“The NHF [National Housing Federation] is suggesting that rents should rise... above the current cap of 0.5% annually over the retail price index...” (*The Guardian*, 5 December 2007).

Policy is more likely to change, as an unaccountable regulator takes charge of rent levels.

Means-testing rents, profit-making and competition would be disastrous. How can council estates be ‘sustainable communities’ if everyone but the poorest is forced out? Means-testing rents would hit pensioners particularly hard, if every penny of occupational pension was taken in increased rent, and would lead to a savage poverty trap for those looking for work. Competition could quickly lead to a two-tier system where the worst-off have to live on the most run-down estates.

SECURE

Council secure tenancies are the strongest protection a tenant has in law. Private tenants on short-term tenancies are at the mercy of their landlords. ‘Owner occu- >>>

“ We value public housing, we want council housing to be high quality, well repaired, well managed and affordable, not just now but for the foreseeable future...we should be building council homes again, not in their hundreds, but in their tens of thousands and hundreds of thousands.” **Pete Challis Unison national housing officer**

What is ‘Affordable Housing’?

Professor Peter Ambrose, University of Brighton

‘Affordable housing’ is loosely understood to mean any housing at less than full market value. But many households have found that ‘affordable housing’ is not remotely affordable for them. The Zacchaeus 2000 Trust has set out a clear definition:

“Affordable housing’ means that once the cost of rent or mortgage (including any maintenance and service charges) and local and national taxes have been met from the income of a household, be it an individual, a family or pensioners, there remains sufficient income to sustain safe and healthy living, to support children’s needs at school and to enable provision for the future and participation in the community. ‘Unaffordable housing’ means that the remaining income is not sufficient to ensure these outcomes.” Memorandum to the Prime Minister on Unaffordable Housing (May 2005 – see www.z2k.org)

Now the methodology of the Minimum Income Standards (MIS developed by the Family Budget Unit at York University), has been adapted to yield a monetary value for truly affordable housing.

Assuming payment of the London Living Wage (and alternatively the National Minimum Wage), after Income Tax, National Insurance and any benefits to determine net income, we subtract locally costed non-housing items of expenditure. What remains is what *really* is affordable for housing. We have termed this the Z2K HAS (Housing Affordability Standard). The results will be reviewed in July 08 following further re-working of the MIS methodology, but are unlikely to change significantly.

So far we have calculated the HAS for three household types (2 adults plus 2 children, 1 adult plus 2 children and a man living alone). For all three we have worked out the non-housing costs applicable in an area of east London, *before* receipt of any Housing Benefit or Council Tax Benefit since households should not have to depend on these while they are working.

The weekly HAS figures are:

Z2K Housing Affordability Standard (East London)

2 + 2 household on LLW (net income £469 weekly)	£135
1 + 2 household on LLW (net income £307 weekly)	£34
1 + 2 household on NMW (net income £284 weekly)	£11
Lone man on LLW (net income £249 weekly)	£104
Lone man on NMW (net income £184 weekly)	£80

(LLW = London Living Wage £7.20 an hour; NMW = National Minimum Wage £5.52 an hour)

Household 1, with two adults and two children, can, if they receive the London Living Wage, just afford a local authority or RSL rent but cannot possibly access private rented or ‘Low Cost Home Ownership’. The single parent household (2) cannot access any form of housing without heavy dependence on benefits and the ‘poverty trap’. The lone man, in reality not normally able to access a council or RSL flat, will find almost all his income at both wage rates going on housing costs (see graphs attached).

All four main London Mayoral candidates agreed to adopt an affordable housing figure using this methodology and also to calculate and publish an HAS figure annually. At last, we have an evidence-based meaning for the phrase ‘affordable housing’. We should use it.

“ If people are unhappy at the standard of housing in their local area, they have an option where there is council housing. That option is the local elections... What right will future generations have to hold their local political leadership to account about what it is doing locally on housing and homelessness?” **Adam Price MP**

>>> piers’ with mortgages are becoming less secure as the credit crisis deepens (see page 29).

Housing associations give ‘assured’ not ‘secure tenancies’ – tenants have less legal rights. Crucially, unlike councils, housing association landlords do not have to prove that eviction is ‘reasonable, even if the tenant is not at fault. Promises made by councils at the time of transfer that the new landlord won’t exercise their draconian rights of eviction are not ultimately binding and provide less protection than a secure tenancy.

Any attempt to restrict the ‘right to rent’ decent, affordable, secure council housing and an accountable landlord will face massive opposition. When the new Minister for Housing, Caroline Flint in her first speech as Minister, raised the threat of conditional council tenancies she provoked a storm of criticism. and ministers were forced to drop the attempt in the Housing and Regeneration Bill to restrict council housing to the poorest by introducing a new means-testing clause.

Reducing our security makes a mockery of the government’s stated aim of creating ‘sustainable communities’. Restricting access to only the poorest creates distorted and transient communities and denies council tenants the right to a ‘home’ as opposed to somewhere just to temporarily lay our heads down for the night.

The real problems with council housing are scarcity and historic disinvestment, exacerbated by government policy over the last 30 years.

“The description of the worst estates is not a description of a tenure: it is the description of a neighbourhood... The clearest fracture is between areas that mainly consist of flats and other areas... this is more than a problem of poor management but relates also to poor design of properties and estates; low demand and desirability and poor connectedness with services and facilities.... Neither the explanation of problems nor the solution is about tenure... Experience elsewhere in Europe indicates that where similar types of estates were built and were predominantly privately owned some have experienced a similar decline.” (‘Hills, Cave and After: Renewing Social Housing’, Human City Institute, 2007)

The solution is to invest in improving the quality and increasing the supply of council housing.

ACCOUNTABLE

Local authority housing is unique: publicly owned and accountable through the ballot box. Council housing benefits from political oversight by democratically elected representatives: through formal accountability to constituents, not to the company; councillors’ input from individual casework to scrutiny of policy; numbers of councillors compared to the size of housing association boards; and decision-making in the public domain.



Our negative subsidy has gone up and we are going to be paying the average of £1500 per unit. How can we plan a proper business case to do the repairs and modernisation that we need?" **Cllr Catherine Smart, Housing Executive member Cambridge**

FACTS V MYTHS

Council estates have high levels of 'worklessness' – so council tenants should be forced to look for work or thrown out of their homes. NOT TRUE

A report by Cambridge University for the Department of Communities and Local Government shows the vast majority of council and RSL tenants are "elderly, sick, disabled, or lone parents with young children". The majority of heads of households in council and RSL housing are retired (34%); the second biggest group (32%) are working; only 6% are actually unemployed; and the rest (28%) are unable to work (Table 2.3). The report also shows that

"Between 1988 and 2001 the number of economically inactive household heads in the social rented sector fell by about 100,000, but rose by over 1.1 million in the owner occupied sector." ('The Demand for Social Rented Housing', Cambridge Centre for Housing and Planning Research, 2006)

Council housing with its secure tenancies creates a 'culture of dependence' which is why huge numbers of council tenants are out of work NOT TRUE

A recent report by the Centre for Research on the Wider Benefits of Learning found: "The negative outcomes now commonly associated with social housing are not inevitable or inherent to provision of housing by the public sector" ('The Public Value of Social Housing: a longitudinal analysis of housing and life chances', October 2007)

In the biggest phase of council-house building after the war council estates largely consisted of working families. Changes in the composition of council households since then are because:

- a) the majority of those who exercised their right-to-buy were young working families;
- b) a huge proportion of tenants, housed in the biggest period of council house building after the war, reached retirement in the 1970s and 1980s; and
- c) the increase in lone parent households "reflects the increase in divorce and separation nationally" ('Demand for Social Rented Housing').

Council tenants do not have 'geographic mobility' NOT TRUE

In fact council and RSL tenants are just as geographically mobile as 'owner occupiers' and sometimes more so. In 2002-03 4.8% of households moved within the 'social rented' sector while only 4.1% moved within the 'owner-occupied' sector!

Council housing is the 'tenure of last resort' NOT TRUE

"Almost 30 per cent of private sector tenants say that they would like to get into social housing if they can get it. ... The proportion of owner-occupiers saying that they would like to live in social sector housing is... five per cent... 5 per cent of all owner-occupier households equal about 700,000." ('Demand for Social Rented Housing').

In addition council tenants have a history of collective activity, campaigning for improvements at estate level and council-wide. We have greater statutory rights to be consulted and to manage our homes, and a landlord bound by the Freedom of Information Act, subject to Judicial Review, and governed by principles such as the obligation to act with reasonableness. Council housing still retains a broadly public-service ethos rather than a commercial organisation accountable primarily to lenders.



The [Scottish] Government's consultation document: *Firm Foundations; The Future of Housing In Scotland* shows the same emphasis on private development. Tenants are ready to challenge the existing orthodoxy. We need much more council housing to help solve the present crisis." **John Carracher, convenor, Scottish Tenants Organisation**

>>> Housing associations are private companies in law run by a board of directors, with an increasingly corporate culture including inflated top salaries, and concentration on private sector activities, leaving them at risk from the 'credit crunch' and falling property values. The process is accelerated by mergers and takeovers and discussion amongst the biggest landlords about floating on the stock market (see box right).

A Tenant Involvement Commission investigated the views of housing association tenants, and concluded that housing associations are 'often perceived to be paternalistic or, even patronising, in their approach to tenants.' Few tenants who complain to their housing association are satisfied. They have limited opportunities to be involved and 'some tenants speak of a "get what you are given" culture'. (*What Tenants Want: Report of the Tenant Involvement Commission*, National Housing Federation, September 2006). *Inside Housing* reported: "The G15 group of London's largest housing associations has hired a team of lobbyists in response to 'relentless criticism' from backbench MPs" (21 March 2008).

The Housing and Regeneration Bill now going through parliament, sets out the rules for a new regulator, OFTENANT, which will initially only oversee housing associations. Government intends to extend its role to council housing as well. If government moves to make housing associations more accountable involve extending our democratic rights to housing association tenants this would be welcome; but council tenants are not prepared to be dragged under a single regulator and give up the democratic accountability of our landlords. (see pages 30 and 38).

"The non-profit housing association sector makes a surplus, even after tax, of just under half a billion pounds a year, and has non-earmarked surpluses of over £4 billion. That's one heck of a non-profit." Jeff Zitron, Tribal Consulting (*Inside Housing*, 11 August 2006)

"The Housing Corporation has identified up to 10 housing associations which are facing a 'heightened risk' because of their exposure to a downturn in the property market. The spectre of falling house prices has triggered fears from some housing association lenders about the sector's increased dependence on property sales." (*Inside Housing*, 15 April 2008)

"Mark Webster, head of housing at Nationwide, told *Inside Housing* there were now just three to five banks left with 'current significant appetite' for lending to associations – down from eight last year. The Housing Corporation admitted lenders' reduced appetite posed a 'medium-term risk' to its target of 155,000 new affordable homes in the next three years." (*Inside Housing*, 11 April 2008)

"Information about chief executive salaries appears in housing associations' annual accounts. ...The five top CEO salaries were as follows: Places for People – £258,000, Anchor Trust – £240,000, Sanctuary – £225,000, Genesis – £210,000, and Hanover – £210,000..." (Questions in Parliament, 26 February 2008).



[Housing associations] are typically comprised of the great and the good but in practice people are hobbled, silenced and constrained by what they can say in public because of the fear of ejection from the housing association for bringing it into disrepute. That is the sort of accountability that people are promoting.” **David Taylor MP**



HOW TO FIGHT PRIVATISATION IN YOUR AREA

Produce local material

The key is to produce good local material that takes up the general arguments and counters the council’s case for privatisation. Contact DCH and check examples of local leaflets on the campaign website.

Question the figures

Many councils exaggerate what they need to spend on our homes in order to push privatisation; and underestimate the resources available (for example right-to-buy receipts). Campaigners in Crawley successfully complained to the Audit Commission about the figures in the council’s stock condition survey.

Broad-based campaign

Make the campaign broad and united – involve tenants, unions, councillors and other organisations in your area. And make it clear you are serious about winning. If tenants think you are just protesting you won’t be taken seriously. >>>

“ We want a national debate that looks at all options – and that includes council housing. We are asking for what is right and what works for all those people who want to remain with stock-retained authorities.” **Cllr. Milan Radulovic, Broxtowe Borough Council (chair Association of Retained Council Housing)**

>>> **Talk to people**

Going door to door on estates is the best way but there are lots of additional ways to get your message across. Hold public meetings in local halls and invite national as well as local speakers. Leaflet churches, mosques, bingo halls community centres, and parents outside primary schools. Petition in markets and shopping centres.

Use the media

Send letters to the local papers and brief journalists to run regular reports. And in the run up to the ballot use car loudspeakers and tour estates to get your message across.

Challenge council officers

Senior managers can expect to see their salaries increase after privatisation; while so-called ‘Independent Tenant Advisers’ are paid by the council. They are not ‘unbiased’ and tenants should question their information.

Know your rights

Tenant campaigns have won a number of battles which you can make use of. The Information Commissioner has ruled that a list of addresses of council properties should be made available to the public. The Advertising Standards Authority ruled against Crawley Council for making false accusations that campaigners were spreading ‘mis-information’. The ASA also agreed that it was not misleading to call stock transfer ‘privatisation’.

For more information on this subject go to: **www.defendcouncilhousing.org.uk** and click on the **Hills** link at the top of the page

For more information on this subject go to: **www.defendcouncilhousing.org.uk** and click on the **Stock Transfer** link at the top of the page

“ People would often rather be a council tenant... because councils are often much more accountable to their tenants. At least with councils, tenants can kick out the management every four years... Housing associations, particularly the bigger ones, often fail. That is why council housing is a good thing.” **Simon Hughes MP**

Market won't meet need

Housing charity Shelter's *Roof* magazine assembles an alarming range of evidence to show that, contrary to reassurances from government, the present 'downturn' is already worse than the major housing crisis of the 1980s / early 1990s. Mortgage repossessions are far higher than the government is claiming. The economic situation is far more precarious than at the time of the previous crash; and mortgages are now so unaffordable that even falling prices won't allow first-time buyers to purchase a home. (*Roof*, May/June 2008)

With the 'credit crunch' cutting the rate of house sales, private developers simply stop building.

"John Prescott, the former deputy prime minister, has accused Britain's "greedy" banks and building societies of destabilising the economy by fuelling the boom in house prices over the last 10 years. Prescott, who was in charge of UK housing policy between 1997 and 2006, also attacked mortgages providers for relaxing their lending criteria. He said this had sent house prices soaring to unsustainable levels. "Instead of keeping the supply of money in control, they allowed people to go from two or three times [salary], which used to be the building society requirements, to four, five and six [times]," said Prescott, who also accused the industry of "total greed"... His attack on the banks came just days after Mervyn King, governor of the Bank of England, condemned the City's bonus culture for causing the current financial instability." (*The Guardian*, 2 May 2008)

Now even housing minister Iain Wright has admitted that the government's target of three million new homes will not be met:

"Junior housing minister Iain Wright warned that house builders 'will not be building, certainly in the short term'. Industry sources estimate that the property downturn will lead to just 100,000 homes being built by the end of this year... The estimate is a significant backward step from the government's aim of increasing house building levels to 240,000 a year by 2016, in order to achieve its three million target by 2020. Speaking at a conference this week, Mr Wright suggested that house building was grinding to a halt" (*Inside Housing*, 2 May 2008). >>>

“ The ‘Oftenant’ idea was opposed by every Regional Tenants Federation following grass roots consultations. It appears tenants’ worst fears have materialised... Merseyside Residents Network supports the call for councils to be allowed to build new houses for rent and we agree that the ‘Fourth Option’ is the fairest way.”
Jimmy Devlin, Merseyside Residents Network

Housing and Regeneration Bill

The Housing and Regeneration Bill published in November 2007 did not include any significant measures favourable to council housing, despite ‘warm words’ from the Prime Minister and all six Labour Party deputy leadership candidates last summer. It failed to provide a level playing field or announce measures to ensure that existing and new council housing is financially sustainable.

The one concession, allowing councils to keep all rental income from new homes they build, on its own is not viable. Councils are still denied access to Social Housing Grant or other funding and will only deliver a potential 2,500 extra council homes a year according to the Bill’s Impact Assessment. The Bill has a number of negative proposals including:

1. A new means testing clause proposing that allocations should be made based on “eligibility designed to ensure that it is occupied by people who cannot afford to buy or rent at a market rate”. This was amended in Committee, following protests, to a less offensive criteria based on ‘housing need’ but leaves the door open and fails to address the need for allocations to support ‘mixed communities’;
2. Giving small group of tenants (in practice predatory landlords) the right to demand a privatisation ballot;
3. Transferring responsibilities from an elected Minister and department to the new regulator OFTENANT including “(a) the nature of the housing demands to be addressed, (b) the extent to which demand is to be supplied, (c) criteria for allocating accommodation, (d) terms of tenancies, (e) levels of rent (and the rules may, in particular, include provision for minimum or maximum levels of rent or levels of increase or decrease of rent), (f) maintenance”;
4. Allowing the Secretary of State to break up the national Housing Revenue Account without long-term guarantees to either those leaving or remaining within the national system;
5. Encouraging local authorities to sell public land for the purposes of building predominantly private housing (via new Local Housing Companies and other mechanisms) without requiring extensive public consultation;

“ Is it not about time that we scotched the myth that council tenants are subsidised and feather-bedded? Far from it, resources have been taken out of council housing, which should have been invested for the benefit of council tenants and also for the thousands of people on the waiting list.” **Lynne Jones MP**

6. Bringing profit into the Registered Social Landlord sector. Profit-making companies will now be allowed to register as social landlords with much less regulation – however, following protests, the loophole which allowed existing RSLs to mutate into profit-making companies was closed.

Numbers of MPs spoke in support of our campaign demands during the Commons Second Reading debate on 27 November. And DCH Chair Alan Walter gave oral evidence to the Standing Committee on 11 December 2007.

The Council Housing group of MPs organised a public event on 22 January at Westminster attended by 200 people at which more than 30 delegations of councillors, council officers, tenants and trade unionists gave evidence to support four amendments to the Bill. These addressed fully funding allowances for council housing; giving councils access to Social Housing Grant; a Code of Practice on ballots and criteria for allocations based on both housing need and achieving mixed communities.

Fifty-two MPs sponsored these amendments for the Third Reading/Report Stage debate on 31 March 2008. Due to time only two were discussed and voted on but MPs spent approximately three quarters of the whole debate demanding government fund allowances for council housing and provide a code of practice to ensure a fair and balanced debate and democratic ballots. Housing Minister Iain Wright accepted that “information provided during large-scale voluntary transfers” has been “one-sided” and said he was sympathetic to our arguments and would look at introducing amendments in the Lords.

The Guardian reported “Brown suffers big backbench revolt over council house repairs” (*The Guardian*, 1 April 2008) and BBC’s Radio 4 *Today* programme reported that the rebellion by 30 Labour MPs included five ex government Ministers.

The Bill has now gone into the Lords where private developers, landlords and the RSL lobby hope to more easily dominate the debate. MPs in the House of Commons Council Housing group along with Unite, UNISON and APSE are lobbying sympathetic Lords for support. Keep up the pressure: Tenants, trade unions should continue to lobby their MPs and urge their local authority to make formal representations too. Ask your MP to request a meeting with the Housing Minister to press the case for government to accept the principles our four amendments promote.

For more information on this subject go to: www.defendcouncilhousing.org.uk and click on the **Housing Bill** link at the top of the page

“ Swansea tenants voted almost 3:1 against privatisation. The government could easily provide the same level of debt write-off and gap funding that was available for the transfer, along with ring-fencing all the rental income and right to buy receipts, to the council to homes up to the Welsh Housing Standard.” **Paul Lynch, Swansea DCH**

Independent tenants’ movement

Extracts from a discussion paper by John Grayson

“Independent tenants’ organisations have won crucial rights through political action and direct action: Security of Tenure in 1980; Right to ballots on transfers 1988; Tenant Charters and Rights to consultation in 1980s; Right to Manage 1994.

From the 1980s to the present a range of methods curbing and restricting independent tenants’ organisations emerged.

National tenant organisations became dependent on approved agencies and conditional financial support. Regional Federations seem to have used approved agencies rather than be used by them and stronger federations and independent tenant organisations have emerged as dominant in them

The government’s ‘An Action Plan for Community Empowerment’ requires councils to ‘embed’ principles of empowerment in their housing policies. Strengthening an independent tenant movement would be one way of ensuring that they can tick this particular box

Tenants’ organisations have shown their opposition to and distrust of privatisation policies. They will no doubt continue to fight to reverse the philosophy of ‘choice’ and private sector profit which runs through the current Housing and Regeneration Bill

Conference of the independent tenants movement Bradford, Tuesday 8 July 2008 called by Regional Tenants Federations

Organise a delegation of tenants from your area.
Contact the organisers c/o Leeds Tenants Federation
FREEPOST NEA 16248, LEEDS LS2 3YY
Telephone: (0113) 2145330
Email: admin@leedstenants.org.uk



Our council is setting up an ALMO even though they never got majority support. No extra money is guaranteed. Lambeth tenants will continue the fight to win the 'Fourth Option' because we all need council housing more than ever."

Steve Hack, Lambeth Defend Council Housing



(HRB). Proposals for a National Tenants Voice in the HRB will be opposed by independent tenants' organisations as the government admits that it rejected the advice of tenants' organisations in national consultations.

The way forward

The priority has to be establishing immediately some national organisation or alliance which can be representative of independent tenant organisations

In parallel with fighting for "funding without strings" for independent tenants organisations there should be an explicit commitment as a tenants movement to carry on campaigning for fundamental principles (the Right to Rent, secure tenancies and no time limiting or means testing; an end to the robbery of HRAs, and ring fence all the money that belongs to council housing; fair and balanced debate with both sides of argument put, etc)."

John Grayson is a researcher and social historian at Sheffield Hallam University and the author of *Opening the Window: the hidden history of tenant organisations* (1996).

For more information on this subject go to: www.defendcouncilhousing.org.uk and click on the **Independent Tenants Movement** link at the top

“ I am proud of the fact that tenants in my local authority area chose, despite every inducement possible, overwhelmingly to reject the idea of selling off the council’s stock... It is only right that we listen to such tenants.” **David Drew MP**

Labour Party policy consultation

Composite 10, Labour Party Conference, 2006 (extract)

Conference reminds government of the clear 2005 manifesto commitment "By 2010 we will ensure that all social tenants benefit from a decent, warm home with modern facilities.

A Labour government cannot leave council tenants who have rejected privatisation without improvements...

Conference re-affirms the decisions of the 2004 and 2005 party conferences and our commitment to a 'Level playing field'. This should include ring-fencing all the income from tenants rents, capital receipts as well as equal treatment on debt write off and gap funding available to councils who transfer their homes to give tenants real choice and provide a long term future for council housing.

Conference again calls on government to provide the 'fourth option' of direct investment to council housing as a matter of urgency.

Three consecutive Labour Party conferences have passed resolutions demanding an end to the robbery and for direct investment in council housing as an alternative to privatisation. Under new rules at the 2007 conference all motions, including those supporting the 'Fourth Option', were referred to the party's Policy Commissions. Their discussions are ongoing. On 2 May 2008 the Labour Party published draft final year policy documents that will be discussed at the National Policy Forum in July. Constituency Labour Parties and affiliated unions are invited to submit amendments to the draft documents by 20 June 2008.

Four pages of the Sustainable Communities draft document are dedicated to housing but it is hard to see where the clear view supporting a 'level playing field' and direct investment in council housing, expressed in motions passed at party conferences in 2004, 2005 and 2006 or Composite 7 remitted by the 2007 conference to the Policy Commission, has been taken on board. The language is carefully chosen – including the extensive use of 'social housing' throughout – to maintain the existing direction of travel of government policy.



Councils were only able to build 277 homes in 2007 and many are struggling to maintain and refurbish existing properties... ARCH is fighting for council housing to have a sustainable future and will be putting forward a compelling argument.”

John Bibby director of housing and community services, Lincoln City Council

Please encourage Constituency Labour Parties to submit these amendments to the Sustainable Communities draft document

Page 17, line 17: add at end new paragraph “We recognise the strong support for first class council housing that provides decent homes with secure tenancies, low rents and an accountable landlord and will ensure that local authority Housing Revenue Accounts have sufficient resources to manage, maintain, repair and improve existing council homes and are able to sustain those improvements in future years. We will provide a level playing field on debt write-off, gap funding and Social Housing Grant so that local authorities can start building new council homes and make a significant contribution to the government’s 3 million target.”

Page 17, line 45/46: delete first sentence and replace with “We will introduce a ‘level playing field’ so that well performing councils will be able to access housing grants formerly reserved for housing associations, including Social Housing Grant”.

Page 18, line 7: add at end “We accept the principle that all the income from tenants rents should be reinvested in the management, maintenance, repair and improvement of council homes and that allowances for this purpose should be set at a level that meets need as determined by independent research.”

Page 19, line 4: add at end: “There will be no attempt to introduce means testing, time limited tenancies or ‘commitment contracts’ to either existing or new council tenants that would undermine the principle that council housing is a tenure of choice available to people from a wide mix of circumstances”.

Page 20, line 7: add at end: “Respecting tenants’ choice a Labour government will not leave council tenants who have rejected privatisation without improvements and so will meet with authorities where tenants have voted No and the authority is unable to meet the ‘Decent Homes’ standard to provide sufficient gap funding to enable them to do so.”

Page 20, line 7: add at end: “To ensure that local authorities are able to maintain these improvements government accepts the principle that the income from tenants rents and housing capital receipts should be ring-fenced nationally and reinvested and that Management & Maintenance and Major Repairs allowances should be increased to reflect research into need.”

Page 20, line 10: add after ‘good service.’: “We are committed to supporting an independent tenants movement at local, regional and national level. OFTENANT will be required to consult representative organisations including Tenants & Residents Associations, local Tenants Federations, regional and national tenant bodies and ensure that these organisations receive funding and support to develop a genuinely independent, representative movement that is directly accountable to tenants at all levels.

“ Successive governments by their inept policies have increasingly marginalised and stigmatised people living in social housing, Ms Flint should be looking to address the problems of poverty and not try to drive the poor in society back to the workhouse.” **Cora Carter MBE, Chair Kirklees Federation of Tenants and Residents Associations**

Council housing alive and kicking

These are the local authorities in England, Wales and Scotland who still have council housing. Make sure your local authority, tenants organisations, trade unions and other supporters of council housing in your area submit evidence to the government’s HRA Subsidy Review.

- a) Make the financial case for ring-fencing all the income from tenants rents and capital receipts and fully funding allowances to enable all authorities to manage, maintain, repair and sustain improvements to existing council housing and start a new council house building programme.
- b) Provide evidence of support for the ‘Fourth Option’ of investment in council housing within your area
- c) Object to any proposals that would involve councils taking on greater risk or make it easier for them to privatise their homes at a later date (send DCH and the House of Commons Council Housing group copies).

If the council is considering selling off any council housing make sure tenants know about the review. Argue it would be irresponsible for the authority to sell a public asset when the government has committed to addressing the issues and specifically promised "to ensure that we have a sustainable, long term system for financing council housing". Speak to the local press (issue a press release enclosing this pamphlet) and get them to investigate what the council, MPs and other politicians are doing to support the ‘Fourth Option’ and make sure we get a successful outcome from the review.

Send evidence to HRA Subsidy Review, c/o DCLG Eland House, Bressenden Place, London SW1E 5DU.

Adur	Bamsley	Bolton	Bury
Alnwick	Barrow	Boumemouth	Cambridge
Arun	Basildon	Brent	Camden
Ashfield	Bassetlaw	Brentwood	Cannock Chase
Ashford	Birmingham	Bridgnorth	Canterbury
Babergh	Blackpool	Brighton & Hove	Caradon
Barking	Blyth Valley	Bristol	Carrick
Barnet	Bolsover	Broxtowe	Castle Point



Many of those who have been persuaded or even cajoled into buying their own home can no longer afford to maintain it. Today, for example, I visited a refurbished council estate, where it was easy to pick out the houses that had been bought in previous years, because they desperately need refurbishment.” **Brian Iddon MP**

Charmwood	Kettering	Rutland	Wigan
Cheltenham	Kingston	Salford	Winchester
Chesterfield	Kirklees	Salisbury	Woking
City of London	Lambeth	Sandwell	Wokingham
Colchester	Lancaster	Sedgefield	Wolverhampton
Corby	Leeds	Sedgemoor	Wycombe
Crawley	Leicester	Selby	York
Croydon	Lewes	Sheffield	Blaenau Gwent
Dacorum	Lewisham	Shepway	Caerphilly
Darlington	Lincoln	Slough	Cardiff
Dartford	Luton	Solihull	Carmarthenshire
Derby	Manchester	South Beds	Ceredigion
Doncaster	Mansfield	South Cambridge	Denbighshire
Dover	Medway Towns	South Derby	Flintshire
Dudley	Melton	South Holland	Gwynedd
Durham	Merton	South Kesteven	Isle of Anglesey
Ealing	Mid Devon	South Lakeland	Neath Port Talbot
Easington	Mid Suffolk	South Tyneside	Pembrokeshire
East Devon	Milton Keynes	Southampton	Powys
East Riding	NE Derbyshire	Southend-on-Sea	Swansea
Eastbourne	New Forest	Southwark	Vale of Glamorgan
Ellesmere Port	Newark	St Albans	Wrexham
Enfield	Newcastle	Stevenage	Aberdeen City
Epping Forest	Newham	Stockport	Aberdeenshire
Exeter	North Cornwall	Stockton	Angus
Fareham	North Kesteven	Stoke-on-Trent	Clackmannanshire
Gateshead	North Tyneside	Stroud	Dundee City
Gloucester	North Warwick	Sutton	East Ayrshire
Gosport	Northampton	Swindon	East Dunbartonshire
Gravesham	Norwich	Tamworth	East Lothian
Great Yarmouth	Nottingham	Tandridge	East Renfrewshire
Greenwich	Nuneaton	Taunton Deane	Edinburgh City
Guildford	NW Leicester	Tending	Falkirk
Hackney	Oadby & Wigston	Thanet	Fife
Hammersmith	Oldham	Thurrock	Highland
Haringey	Oswestry	Tower Hamlets	Midlothian
Harlow	Oxford City	Uttersford	Moray
Harrogate	Plymouth	Waltham Forest	North Ayrshire
Harrow	Poole	Wandsworth	North Lanarkshire
Havering	Portsmouth	Warrington	Orkney Islands
High Peak	Reading	Warwick	Perth & Kinross
Hillingdon	Redbridge	Waveney	Renfrewshire
Hinckley	Redditch	Waverley	Shetland Islands
Hounslow	Richmondshire	Wealden	South Ayrshire
Hull	Rochdale	Wear Valley	South Lanarkshire
Ipswich	Rotherham	Welwyn Hatfield	Stirling
Islington	Rugby	West Lancashire	West Dunbartonshire
Kensington	Runnymede	Westminster	West Lothian



Tenants on the Ocean estate fought off HATs under the Tories and privatisation under Labour and are demanding their choice is respected and council homes refurbished. The new threat is demolishing sound blocks to build expensive private homes for sale. George Lansbury would turn in his grave.” **Cllr Oliur Rahman, Tower Hamlets Council**

What you can do

- Order copies of this pamphlet and other DCH publications and make sure tenants, trade unionists and councillors in your area get to read them.
- Subscribe to DCH mailings and briefings and register on the website to join email list.
- Find out what your local authority landlord is planning and let DCH know. Organise a broad based meeting to support the demand for the ‘Fourth Option’.
- Check the size of your council housing waiting list and lobby councillors to support the ‘Fourth Option’. Ensure there is proper consultation before public land is sold for private housing.
- Encourage Labour Party members and affiliated unions to submit amendments to the Labour Party Policy Commission draft documents.
- Get tenants organisations, trade unions and others to support and affiliate to Defend Council Housing. Help make sure the ‘Fourth Option’ is raised at meetings and conferences in the coming months.
- Ask your MP to sign EDM 368 ‘Investment in Council Housing’ and join the House of Commons Council Housing group.



Defend Council Housing

Annual affiliation fees:

Tenants/Community Organisations

Local £10 Regional £25 National £50 (tick appropriate) £.....

Trade Union Organisations

Local £50 Regional £100 National £250 (tick appropriate) £.....

Annual subscription to DCH Mailings & Briefings £15 £.....

‘Dear Gordon II’ (this pamphlet)
pamphlet £5 / £1.50 tenants and bulk orders copies £.....

National newspaper (latest news, analysis and briefings)
£18 per 100 / £100 per 1000 copies £.....
– further reductions on bigger orders

‘The Case For Council Housing in 21st Century Britain’
pamphlet £10 / £2.50 tenants and bulk orders copies £.....

‘Support for the ‘Fourth Option’ for council housing’
Report by the House of Commons Council Housing group
£10 / free to individual tenants copies £.....

plus donation: £.....

Total: £.....

Name.....

Address.....

Organisation Position

Tel..... Email.....

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

£5 (£1.50 tenants
and bulk orders)

Tenants, trade unions,
councillors and MPs demand:



'FOURTH OPTION' for COUNCIL HOUSING

COMMUNICATION
WORKERS UNION



GMB
BRITAIN'S GENERAL UNION



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