

# Liverpool Defend Council Housing

# VOTE NO

# to Privatisation



Across the UK council tenants are resisting privatisation of their homes. There have been more NO Votes in the last year than ever before.

Tenants want improvements to our homes but we're sick of the bullying and blackmail. We aren't prepared to trade our secure tenancies, lower rents and the right to elect (and kick out) our landlord for a new kitchen or bathroom. We want both!

Liverpool council says there is no alternative but to sell off our homes to a new private company Liverpool Mutual Homes. But that's not true. They have money to do the most urgent improvements and the government is offering to not just write off the council's debt if they privatise but also a £130 million bribe in the form of 'gap funding'.

**A united campaign by tenants, councillors, trade unions and MPs could force the government to make the same resources available to the council so that we can stay as council tenants and get all the improvements we need – without the risks with privatisation.**

**DON'T BE BLACKMAILED INTO PRIVATISATION**  
Demand direct investment to improve our homes and estates. Remember there's no going back if the new company gets into trouble!

124 local authorities across the UK have already decided to keep their homes. And in the last twelve months tenants have also voted NO to transfer in the following areas: Brighton & Hove; Crawley (withdrawn); Taunton Deane; Tower Hamlets (Malmesbury & Alfred); Gravesham; Salisbury; Highlands; South Kesteven; Renfrewshire; Stirling; Tower Hamlets (four areas); Waveney; Cannock Chase and Selby. More are expected to follow.

It's all adding to the pressure on government Ministers to change policy. A growing alliance of tenants, trade unions, councillors and MPs across all parties is supporting the demand for the 'Fourth Option'. We want direct investment in council housing as an alternative to privatisation. Together we are a powerful force that can win.

**A big NO Vote from tenants in Liverpool – alongside NO Votes in other areas – will add to the pressure and win a change in government policy for us and our children.**

## What kind of animal is 'Liverpool Mutual Homes'?

 Supporters of selling off council housing claim it's not privatisation - they're wrong. Registered Social Landlords (RSLs) are private companies in law and will borrow against your homes.

'Community Housing Mutuals' are no different. It's a wrapper meant to sound more 'tenant friendly' to con us into accepting sell-off. They're the same animal underneath (see over).

### 🚫\*Evictions up

We lose our 'secure' tenancies. Evictions by Registered Social Landlords are much easier under their 'assured' tenancies, and their eviction rate is higher.

### 🚫\*Rents Up

Rents after transfer increase in many areas and a government review may take away protection! RSLs get around the existing rent formula in a number of ways and their rents are higher (fact).

### 🚫\*No Accountability

The board of Liverpool Mutual Homes will be unaccountable, bound by confidentiality clauses and required to follow the advice of the company secretary – not represent tenants interests.

### 🚫\*Mergers and Takeovers

Most transfer associations do not stay small and local. There is a high risk that they either expand into a huge business empire or get taken over by a bigger company.

### 🚫\*Higher Costs

Transfer will cost £millions and the company will have to pay high interest rates on its borrowing. This money could be used instead to carry out the repairs we need! Who will end up paying?

### 🚫\*More Homeless

Shelter, the homeless charity, reports that 43% of councils after transfer said they were having trouble getting the new landlords to deal with homeless applications. It let's the council off the hook.

**Help distribute this leaflet! Talk to your family, friends and neighbours. Every NO vote counts – make sure you use yours**

# Demand direct investment

## What EXACTLY have you been promised and by when?

New landlords often promise the earth.

Everyone is meant to believe that they will get all the improvements in the glossy photographs. But what exactly has been promised to you personally – and by when? Have you got a personal contract from LMH on improvements – NO!

Read the small print... There's lots of 'where needed', 'if necessary' and 'where possible'. Not everyone will get what they thought – and that's if everything goes

smoothly and there are no financial 'surprises'!



### VOTE NO

It's time elected politicians stood up for our interests. Don't let them off the hook. Vote NO and demand Liverpool councillors and MPs put their weight behind the campaign to win the 'Fourth Option' of direct investment in council housing. Together we can win!

## This campaign needs your help

Unlike the council we can't pay for consultants and others to go door to door or produce glossy brochures. It's a scandal how much of our rent is being wasted on promoting privatisation!

Ask yourself why hasn't there been a 'fair and balanced' debate so that tenants can hear both side of the argument. What are they afraid of?

★ **Talk to your family, friends and neighbours**

★ **Help distribute this leaflet where you live**

★ **Take leaflets to work, clubs, bingo, community centres, etc to make people aware**

★ **Phone/pop in to get leaflets**

### These landlords break promises

"Scottish Borders Housing Association had threatened to sue Scottish Borders Council... Less than six months after SBHA took over the housing stock it claimed it was losing money from the transfer, which it said left it underfunded and unable to carry out its business plan" *Inside Housing magazine 2 March 2007*

## Council housing: worth fighting for

Council housing is far from perfect and our homes and estates need urgent improvements. But the principle of decent, affordable, secure and accountable council housing has served generations well. It's worth defending for us and our children. We won't trade our secure tenancies, lower rents and an elected landlord for a new kitchen or bathroom. We are entitled to both!

## The money is there. Stop the robbery

Government has been systematically siphoning off a massive profit from our rents (£1.55 billion a year) and the income from 'right to buy' sales (£45 billion to date). Then they have the cheek to tell us there's no money for improvements to our homes and estates.

## Government under pressure to change policy

The Labour Party conference has voted three years running for direct investment and a working group is currently addressing the issue and is expected to recommend a 'level playing field' on debt write-off and ring-fencing all the money that belongs to council housing. This would enable councils like Liverpool to improve existing and build new council homes.

## What kind of animal is 'Liverpool Mutual Homes'? cont'd from front

 Members of the board (including tenants) are legally obliged as company directors to look after the interests of the company – not represent tenants.

The experience in other areas is that these landlords are unaccountable.

Mergers and takeovers creating massive multi million pound empires across the UK mean LMH is unlikely to remain 'independent' for long! The bigger RSLs already want to float on the stock market.

In practice the banks make the key decisions to safeguard their loans and senior managers tell board members

what to do.

Homes often get demolished and land is sold off for private housing to bring in more income. Our green space is worth a fortune and could be under threat!

The new landlord makes a contract with the council not individual tenants. So if they're business plan gets into trouble, they break their promises or get taken over – tenants are stuffed. Remember there's no going back to the council if it goes wrong.

They say the new landlord will be 'not for profit'. So is BUPA – would you want them running the NHS?

# VOTE NO NO LIVERPOOL MUTUAL HOMES to Privatisation