

Housing benefits cuts will “socially cleanse” London

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The cuts in Housing Benefit proposed by the Conservative/Liberal Democrat coalition will lead to the eviction of huge numbers of people from their homes in London and elsewhere in the south-east of England.

Chancellor George Osborne plans to slash Housing Benefit payments for accommodation in the private rented sector annually by £1.8 billion by 2014 to reduce the budget deficit. The weekly payments will be cut either to 30 percent of average local rents from the present 50 percent, or capped at a maximum of £400—a swingeing reduction from the current £1,000. Claimants will have to make up the difference or face eviction.

The changes are likely to affect 775,000 claimants nationwide, but those in London will bear the brunt of the cuts. The capital will become even more socially polarised, with only those either wealthy or lucky enough to own their own homes able to live there. A typical three-bedroom house in the centre of London now costs £2.5 million; the private rented sector offers only highly inflated prices, while a dwindling stock of social housing is available to only a tiny proportion of those who need it.

The scale of the threatened exodus prompted rightwing Conservative London Mayor Boris Johnson to blurt out on BBC Radio London last week, “We will not accept a kind of Kosovo-style social cleansing of London”.

“On my watch, you are not going to see thousands of families evicted from the place where they have put down roots”, Johnson added.

Johnson was immediately slated by government ministers who claimed that the cuts would only affect “some families” and that they would only have to put up with “some short-term difficulties”. But the London

mayor was ready to court such hostility from his own party because he is well aware of the broad opposition to the benefit cuts and the other austerity measures announced in the recent Comprehensive Spending Review and how they could sink his chances of re-election in 2012.

His denials only serve to confirm that his government’s measures will indeed lead to the “social cleansing” of the capital. The chief executive of the housing campaign group Shelter, Campbell Robb, declared, “More than 100,000 people will have to move out of central London, and that means people having to move away from their jobs and taking children away from schools.

“A succession of governments has failed to address our housing crisis and today’s announcements suggest the coalition has firmly joined them in denying responsibility for an entire generation’s ability to access decent, secure, affordable housing”, Robb added.

The Association of London Councils estimates that more than 82,000 households—more than a quarter of a million people—could be forced out of their homes. “The cuts will have an immediate impact on inner London boroughs which will essentially become no-go areas for anyone on Housing Benefit. There will also be an indirect long term impact on outer London; where families from inner London who are relocating to ‘cheaper’ boroughs will need housing, school places and access to welfare services”, the association said. The situation will be made worse by the slashing of subsidies for affordable house building and changes to tenancies and social housing rents.

About 170,000 families in London receive Housing Benefit. In seven of the most expensive areas—Camden,

the City, Hackney, Hammersmith and Fulham, Kensington and Chelsea, Tower Hamlets and Westminster—rents are higher than the £400 cap. In Westminster, 84 percent of those living in privately rented accommodation that are on Housing Benefit will lose out—about £85 a week for a three-bedroom property. But even in Brent, one of the poorest boroughs in the capital, where over a third of claimants live in a three bedroom property, large numbers will be affected by an estimated £20 cut in their weekly benefit. A recent survey by London Councils showed that over 90 percent of landlords in London would evict a tenant if they fall into arrears by that amount or not renew the tenancy at the end of the statutory protected six month period.

In the lead-up to the announcement of the benefits cut, the government embarked on a campaign to demonise Housing Benefit claimants. The chancellor whipped up a press-frenzy over claims that “scroungers” were receiving over £100,000 per year to live in multi-million pound houses in the most sought-after areas. But even the rightwing *Daily Telegraph* was forced to admit that it could only find three families claiming £2,000 per week in the two most expensive London boroughs and had to conclude that “the numbers are tiny compared with the 4.5 million families nationwide who receive Housing Benefit”.

It should be remembered that, generally, only those with total incomes below £16,000 a year can claim. Most full-time students, those living with relatives, and asylum seekers are ineligible. Only one of a couple living together can claim, and under the new rules single people aged under 35 can only get the benefit if they will live in a bedsit or a room in shared accommodation.

The fact that millions are forced to claim benefit is an indictment of the capitalist market, which is unable to provide the basic necessities of life for whole swathes of the population.

In 2000, the Housing Commission identified lack of supply and unaffordable house prices and rents as the two most serious housing problems. Estimates suggest three million new homes are needed in the UK. But since then the number of new homes starting construction each year has fallen. The coalition government is proposing the construction of just 150,000 supposedly “affordable homes” over the next

four years.

In addition, nearly eight million homes in England fail to meet the government’s Decent Home Standard. Four million children in the UK live in poverty, after their housing costs have been paid. In London, over 350,000 households, almost 10 percent of the total, are on a council waiting list, up from 180,000 ten years ago. Many, many more do not bother to sign up any longer.

The average annual salary in the UK dropped £2,600 in just six months, from £28,207 to £25,543. The figure for London is higher—at £32,604—but with average house prices at £370,000 and demands that purchasers put down 20 to 30 percent as a deposit, it is no wonder that the average age of a first time buyer has risen to 37.

In contrast to the lies put out by Osborne and the government, the Shelter website documents the real situation facing working people. Typical is the experience of Stephanie Stacey, who recounts, “I’m a full-time single parent on benefits with 3 children.... I studied for a psychology degree whilst bringing up my 3 children alone and I got a 2/1. It was really tough.—I didn’t want to be on benefits, I did everything I could. I volunteer for my local Citizens Advice Bureau, and I am constantly looking for work. The Housing Benefit cuts scare me. I am now on Jobseekers Allowance and I heard today they are cutting Housing Benefit by 10 percent for those that have been on Jobseekers for more than a year. I have only been on JS for a couple of months, but I have done everything I can possibly do—to be both Mum and Dad to my children.... I’ve tried to do everything right and now this!! It’s making me feel so very depressed and my heart goes out to all the genuine people on benefits that really don’t need this”.

The multi-millionaire Prime Minister David Cameron has used the House of Commons expenses system to receive £21,000 a year towards his mortgage.



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