

East London tenants evicted in run-up to Olympics

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Tenants in east London are being evicted from their homes in the run-up to the London Olympics Games, to be held from July 27. In one case a woman told the BBC that she and her four housemates had been evicted after being given just two weeks to leave. Another couple reported they had been given three weeks to get out.

Seeking to cash in on the Olympics, some private landlords are letting their properties for 20 times the usual rental price during the games. According to one estate agent, some properties, usually rented for £350 per week, were being marketed at £6,000 per week.

Many tenants being thrown out face an almost impossible task of getting rehoused in decent, affordable accommodation. They are being forced onto the streets under conditions where there is already a dire shortage of affordable social housing and with private rents in the capital having already risen by seven percent over the last year.

Shelter, the housing and homelessness charity, said this week it had seen evidence that some tenants are being illegally evicted at the last minute. The Chief Executive at Shelter, Campbell Robb, said, “Londoners living in the Olympic boroughs are already suffering from increasingly unaffordable rents, a lack of stability and a minority of rogue landlords who exploit the high demand for homes in the capital.

“Increasingly we are seeing signs that the Olympics are exacerbating these problems, with some landlords looking to evict tenants and re-let their homes to Olympic visitors, without any guarantee that they will be filled.”

Tenant Ninna Thorhugle described to the BBC the humiliating process under which she was told to leave the property she rented. “We ended up here because we were kicked out of the other place we lived in,” she

said. “All the people that were staying in the house were told to leave. We got two weeks’ notice because that place was sold to a cash buyer to use for Olympic lets.”

They were not able to look for properties in the first week she said, “because we were stressed out and angry really, that something like this could happen”.

Thorhugle added, “We did know, however, that this place was for sale, but for sale to let. We were told that this was not going to affect us because the new owner, whoever it was going to be, was going to rent it out to us.”

She was then told by the live-in landlord that she had two weeks’ notice to leave the property. She said, “I was going to bed with headaches because I was just stressed. I was like ‘are we going to have a house to live in?’ Everything is done in the name of the Olympics, like it’s the Holy Grail or something. It’s a little bit overrated. I know it might be good for London but how good? Because a lot of Londoners, a lot of people who work here, they get hurt by it.”

It is expected that there will be 900,000 Olympics-related visitors in London during the games, on top of the usual 1.5 million tourists that typically arrive in the capital every August. Private landlords are seeking to make a financial killing as there are only around 110,000 hotel rooms in the London area, with almost a third of those already allocated to Olympic personnel. Many hotel rooms have been booked for months and even for years.

The Property Wire web site revealed “the number of short term lets available in London’s Olympic boroughs of Barking and Dagenham, Greenwich, Hackney, Newham, Tower Hamlets and Waltham Forest increased by 35 percent.”

It is estimated by the spareroom.com web site that

“Olympic lets” now make up four percent of the entire London rental market; a figure that is expected to swell.

The cash grab by landlords replicates the experience of previous Olympic Games. Prior to the 2000 Olympics in Sydney, rents near the Olympic village were priced at up to ten times their normal rates.

There has much hyperbole from the Olympic organisers about the “legacy” of the games, and how it will be supposedly benefit Londoners, particularly those in the capital’s East End, an area historically blighted by high levels of social inequality and poverty. This week the newly re-elected Mayor of London, Boris Johnson, spoke of an ongoing “renaissance in east London”.

Yet the advent of the Olympic Games only increases the gap between the rich and poor. The much vaunted “Olympic effect” will enable unscrupulous private landlords to reap the rewards, while many tenants face drastic increases in rent or being forced to move out of districts they have lived in all their lives.

An article on the PropertyCommunity web site this week noted, “Asking prices for renting a home near an Olympic or Paralympics event venue have also been affected with prices increasing by an average £152 per month, 9 percent, in the past year. Tenants in Stratford, East London next to the 2012 London Olympic Park which is home to 10 event venues, can expect the highest Olympic let premiums with rents up 38 percent, £433, year on year, bringing the average monthly cost to £1,575.”

“In a similar vein, rental prices in Greenwich, south east London, where the North Greenwich Arena and Greenwich Park venues are located, have increased 32 percent, £523, in a year to £2,143 per month.”

Samantha Baden, property analyst at FindaProperty said, “We’d expect to see the value of property in some postcodes, for instance London’s SW1, increase in price irrespective of the Games, but this level of growth far surpasses expectations. The price of property surrounding Olympic venues jumped 14 percent in a year, while prices for the UK as a whole increased just 1 percent, highlighting a clear Olympic effect.”

This follows the revelation last month that several London councils, including Labour Party-run Newham, are considering sending Housing Benefits claimants to areas hundreds of miles away. Newham is the location of the new Olympic Stadium and is one of the host

boroughs for the Olympics.

Newham has 32,000 people on its housing waiting list and has approached over 1,100 housing agencies in a bid to house around 500 families. Housing agencies as far away as in the Midlands have been approached, including a housing association in Stoke-on-Trent, 160 miles away.

In its letter to the Stoke Housing association, Newham said the private rental market in the borough was beginning to “overheat” and that it could no longer afford to house tenants in private accommodation. This was attributed to the “onset of the Olympic Games and the buoyant young professionals market”.



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