

UK Government announces demolition of council housing

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Prime Minister David Cameron told the BBC “Andrew Marr Show” that his government plans to demolish England’s 100 “worst” council estates. In an accompanying *Sunday Times* column, he portrayed this as a component part of a pledge “to wage an all-out assault on poverty and disadvantage”.

Cameron told Marr, “I think sink housing estates, many built after the war, where people can feel trapped in poverty, unable to get on a build a good life for themselves, I think it is time with government money—but with massive private sector and perhaps pension sector help—to demolish the worst of these and actually rebuild houses that people feel they can have a real future in”.

Cameron’s depiction of working class communities in the *Sunday Times* was nightmarish. “In the worst estates”, he wrote, “you’re confronted by concrete slabs dropped from on high, brutal high-rise towers and dark alleyways that are a gift to criminals and drug dealers”.

The vision of a modern-day version of Hogarth’s Gin Lane is designed only to justify cuts to welfare and public spending. The prize sought from the demolition of inner-city estates in London and elsewhere is the prime land on which they are built.

Cameron’s plans spell the death knell for inner-city public housing, especially in London. He quoted the property investment advisers, Savills, which conducted research on behalf of the Home Office, which claims that demolishing London’s council estates would create 360,000 extra homes and quadruple property prices. Savills’ clients must be licking their lips.

In its research Savills claims those who live on London’s council estates are cut off from the rest of London. Savills was also the source of the claim by the prime minister that almost three-quarters of the young people involved in the riots in England in 2011 came from such estates.

Even so, Cameron gave the game away when he

announced a paltry £140 million to be made available to community groups, councils and housing associations for the scheme. This tiny sum is demolition money, nothing more.

While the government never misses an opportunity to tell the public that money is not available, Chancellor George Osborne is bankrolling this private house-building bonanza with £2.3 billion in direct grants. This is part of an overall package of public subsidy totalling £20 billion, with the state directly funneling public funds into the pockets of private business.

After his BBC interview, Cameron sat and watched while the band Squeeze gave their opinion of his demonisation of council housing during their live performance in the studio. On hearing Cameron’s interview, lead singer Glenn Tilbrook made an impromptu change to the lyrics of his song, “From the cradle to the Grave,” singing, “I grew up in council housing, part of what made Britain great. But there are some here who are hell-bent, on the destruction of the welfare state.”

Cameron’s “an assault on poverty” is in reality an assault on the poor. What is left of council housing is to be destroyed for acting as an obstacle to the business interests of property developers.

Cameron spoke of his desire for “a shift towards more affordable housing to buy”. What the government now calls “affordable housing”—meant to replace council housing—is priced at up to 17 times the national average wage!

Under new Tory policy announced last week, all new homes priced at £450,000 (US\$642,271) in London and £250,000 (US\$356,817) in the rest of England are now classified as “affordable”. Buyers under 40 years old will enjoy a 20 percent discount paid from public funds, and after five years will be able to sell the property on at full price and pocket the 20 percent.

Housing specialists the Highbury Group stated that such

policies together with Tory moves to “simplify” building and planning regulations will mean builders and developers will ride roughshod over local residents and authorities to erect the most expensive apartments permissible. Nothing will be built for sale in London under these plans that costs one penny underneath the £450,000 limit.

Among the estates expected to be targeted are London’s Broadwater Farm in Tottenham, the Winstanley Estate in Wandsworth and the Lower Falinge estate in Rochdale, Greater Manchester.

The idea of demolishing the inner-city council estates and replacing them with private mid-rise apartments and terraced housing was first floated by the cross-bench peer Lord Adonis last year. The demolitions would bring an opportunity to create “mixed communities” that would function as “city villages,” he argued in a paper for the Institute for Public Policy Research.

Housing Minister Brandon Lewis backed the idea only weeks later, saying in his first official speech after the general election that politicians cannot overlook the need to “regenerate” inner-city areas that are dominated by high-rise concrete blocks from the 1960s and 1970s.

Cameron’s announcement came only two days before MPs were kept in the House of Commons until 2 a.m., as the government forced through its Housing and Planning Bill. Tory Ministers had slipped in more than 60 pages of new legislation at the last minute, including the redefinition of “affordable housing” and effectively handing local planning over to private companies.

Labour estimated that more than 190,000 council houses could be lost by 2020 if the housing bill was approved. This was due to proposals to force councils to sell their highest-value homes and increased discounts for “right-to-buy” schemes—one in eight council properties—before taking into account the plan to demolish 100 estates.

In the region of 40,000 council homes disappear every year already.

The government refused to back a token amendment made by Labour that would have made landlords legally responsible for providing rental accommodation fit for human habitation. Tory MPs complained such a demand would place insufferable burdens upon landlords. It was later reported that 72 of the Tory MPs who voted against the motion are landlords themselves, out of a total of 95 including Cameron himself. In addition, 25 Labour and 7 Scottish National Party MPs earn more than £10,000 a year from rental income.

The government’s initiative on council home

demolitions will be headed by Lord Heseltine, who oversaw the Liverpool and London docklands gentrification in the 1980s. A panel he will chair will report on how investment from pension funds is to be enticed, and it will compile a list of sites that could benefit from urban regeneration/gentrification.

They will consider how to get past what the government calls “blockages” in the planning process—i.e., local council tenants and leaseholders, local authorities or accountability. This is a significant factor when it comes to those who have exercised the “right-to-buy” option on their council houses, who could not be subject to compulsory purchase orders.

At Prime Minister’s Question Time, Cameron was asked where council tenants would be rehoused or what will happen to those who have bought their homes. He refused to answer.

In London, between 1979 and 2015, 41 percent of council properties were bought by tenants. Over recent years, when inner city council estates have been demolished, those who had bought their homes have been evicted and offered a fraction of the market value of their homes—making them unable to stay in the same district.

Council tenants from such demolished estates have been rehoused in either council accommodation or by a housing association in less-desirable areas—usually some way out of town. Only a very small number get to rent on the new housing development built where the council estate used to be. Their rent is always increased because housing association rates are closer to market levels than council rents. The tiny number of units for rental on the new private development are peripheral and of an inferior-quality building specification, inside and out.



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