

# Rents in Britain unaffordable for majority of workers

**Allison Smith****5 June 2022**

UK rents are rising at their fastest rate in 14 years. According to property website Zoopla, they rose 11 percent nationwide over the past year to an average of nearly £1,000 per month (£995), forcing the average tenant to spend more than one third of their household income on rent.

In London, single workers are forced to spend a staggering 52 percent of their income, with payments increasing by 15.7 percent in the capital city.

Zoopla reports demand for rental properties was up 76 percent this year compared to the past four years, citing students and young workers returning to work as the government ends all COVID restrictions.

But workers being forced back to the office under the government's "live with the virus" agenda is only part of the reason rents are up this year. The main cause is that successive Labour and Tory governments have for decades implemented policies removing all limits on private wealth accumulation, starving local councils of the necessary funding. They have allowed the sell-off of council estates and privatisation of social housing and their conversion into luxury apartments, causing a massive shortage of affordable housing.

According to government statistics, "the long-term historic trend has been a decrease in the size of the social sector" in housing. Between 2020 and 2021 alone, there was a 12 percent decrease in available social housing, with more than one million households on the waiting list, according to the Shelter housing charity.

In 2016, London's Barking and Dagenham borough had 50 times more people on the waiting list than available properties, causing a 50-year waiting list for council housing. Since 1980, the borough has lost 50 percent of its council housing stock, mainly due to the right-to-buy scheme introduced under the Thatcher

government under which tenants could buy their council property at a reduced rate.

More than 40 percent of council houses sold to their tenants under right-to-buy terms are now privately rented out to local authorities paying millions annually to private landlords to house homeless families in properties they once owned.

The spiraling cost of living has pushed thousands into debt, leading to a 63 percent rise in "no fault" renter evictions, with more than 3,700 evictions between January and March this year—up 38 percent over the previous quarter.

Margaret Perry, a renter who earns £30,000 a year, told the *Guardian* that her landlord put up her rent by 22 percent to £825 per month for her room in Haringey. "That's just not an option. It's hard enough as it is," she said.

In Salford shopping centre, in the north west of England, a 29-year-old shopworker told the *World Socialist Web Site*, "Since COVID, prices have risen and people like myself have to work extra hours, sometimes 70 hours a week, to pay bills and provide for the family. People like me, under 30, can get depression. Mental health problems are linked to livelihood. People who can't provide for the family get depressed. Even if wages go up, everything else you buy goes up. It's killing young people. It's not easy to survive in the 21st century. It feels like World War II when our grandparents were struggling."

House prices have increased by £55,000, with the purchase cost of the average home now roughly £368,000. At this price it is nearly impossible for workers to get on the home ownership ladder. Most are unable to save for the down payment and fees required to buy a home because nearly all of their monthly income is spent on food, fuel and rent.

Last year, a *Guardian* analysis of the housing proposals showed that “low-paid ‘key’ workers on the front line of the COVID-19 pandemic would not be able to afford to buy the average priced home in 98% of Great Britain.”

Nurses on a median annual wage of £33,920 are unable to buy a “median priced property in almost three-quarters of local authorities nationwide.” Secondary school teachers on £40,881 per year are unable to buy in nearly one-fifth of council areas.

According to Bloomberg Economics, the cost-of-living crisis will likely add an average of £2,370 per year to UK consumers’ household bills, making home ownership even more elusive.

The Centre for Economics and Business Research expects “that disposable incomes will fall in 2022 by 4.8% with a further fall of 1.4% in 2023. The forecast fall in living standards this year is an estimated £71bn—which amounts to £2,553 per household... the largest since records started in 1955.”

The crisis is being worsened by NATO’s proxy war in Ukraine, which is causing global food and fuel shortages. A survey by Rightmove, an online real estate portal and property website, reports that the shocking rise of energy bills has led to a 36 percent rise in the number of inquiries for all energy bills to be included in rental agreements.

In the face of mounting anger as more people are pushed into destitution, the government’s legislative agenda outlined in May included proposals to scrap the Victorian-era Vagrancy Act, introduce a Renters Reform Bill and regulate social housing.

With a staggering 22 percent of the 4.4 million renters in England living in what the government describes as “homes of an unacceptable standard,” it vaguely stated that the Bill will improve the “lives of millions of renters by driving up standards in the private and socially rented sector, delivering on the government’s mission to level up the country.”

A main impulse for what is trumpeted as a “New Deal for renters” is saving on welfare spending, with the government declaring that the “reforms will prevent private landlords from benefiting from tax payer money for renting out low quality homes, slashing the £3 billion a year in housing benefit that is estimated to go to landlords renting out non-decent homes.”

The Crisis homeless charity points out how the

proposals give “with one hand while taking with the other. The plan to introduce legislation that has the potential to criminalise anyone forced to sleep rough is nothing short of shameful and flies in the face of any effort to tackle rough sleeping for good.”

The government’s Department of Levelling Up, Housing and Communities is seeking “views on proposals to respond effectively to begging, potential penalties for harmful begging and how to encourage vulnerable people to engage with rehabilitative support.” It warns, “We must balance our role in providing essential support for vulnerable people with ensuring that we do not weaken the ability of police to protect communities.”

Aside from the Vagrancy Act, the police have an arsenal of modern weapons they use against society’s most vulnerable, including Community Protection Notices (carrying a maximum £20,000 penalty), Public Space Protection Orders (involving £100 fines, escalating to prosecutions) and Anti-Social Behaviour Orders, that are available for use under civil rather than criminal law. Police have gone as far as using anti-terrorism legislation to justify searching rough sleepers.

According to Crisis, core homelessness in England alone has been rising year-on-year, jumping from 207,600 in 2018 to 227,000 in 2021.

Elaine, a worker in Sheffield, recently shared with the WSWS that she “saw a homeless girl in her twenties laid asleep outside the Meadowhall shopping centre because she couldn’t get anywhere to live. That’s the result of what all these governments have done. This reality doesn’t affect people in the government because they’ve got money, and they don’t realise how it affects everyone else. They’re all looking out for each other.”



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