

# Social Housing Privatisation

## City Strolls

The mantra of the politicians was ‘the tenants will decide’, but how can a voter deprived of knowledge make an informed decision?

The first I knew of protest against Glasgow City Council pursuing a policy of privatising its social housing was when a group protesting about poverty related issues occupied Keir Hardie House, then HQ of the Labour Party in Glasgow. In January, 1999 the Glasgow Campaign Against Housing Stock Transfer was formed, with many people from different parts of Glasgow becoming involved—of all the privatisation situations this was probably the only exception where some of the people affected might have some effect on the process through a so-called ballot; despite its built-in unfairness. And it was hardly fair. It was trying to take a public asset out of the public sector when only a proportion of that public were being allowed to have any say in the matter, namely only directly affected existing council tenants.

Tenants have a ‘Secure Tenancy Agreement’ with their councils that’s both individual and collective—collective, not just locally but as part of the Government’s wider social contract for housing provision. If you wish to take a public asset out of public ownership surely the whole public, both within their geographical authority and nationally, should have a say in it. To do so democratically it should be a referendum of all the populous, whether it be a local area, a city or a country. But that’s not what’s being done. The Scottish Executive are saying that it’s ok for some tenants to effectively change the landlord of other tenants by unilaterally withdrawing from the collective agreement, leaving others high and dry.

Ample resources from the public purse were (and are) being put behind the privatisation process, with little going to support the proposition to retain housing in the public sector; to keep it accountable and have it properly funded. In the months running up to the ‘ballot’ there was a circular admitting Glasgow City Council was to spend £6.5m on promoting the transfer, with about the same to be spent by what was to become the Glasgow Housing Association Limited, who would take over the housing

stock. Meaning an estimated £13m was spent on pro-transfer propaganda in the run up to the democratically wanting, Government skewed vote on the issue, on April 4th 2002.

Actually, the figures of £40m - £43m circulate as the sum used over the longer period from the first moves on privatisation. This compares to less than £10,000 over a period of under three years by those who opposed it. That is the juxtaposition in terms of resourcing of campaigning. Quite apart from the way it was resourced in relation to any opposition, the so-called ballot as a process was not a democratic test of opinion.

### ...on the way to the Forum

The consultants given the job of pulling the early guidance blurb together for the Council were Ernst & Young—one of the biggest US accountancy firms on the global scene, whose office is conveniently diagonally opposite the council’s City Chambers.

The pro-stock transfer people talked about providing ‘information’, but this was not the case. What ensued was a combination of PR and managerial manipulation of tenants and the wider public—one of the early ‘internal’ guidance documents actually stated that Estates Action Groups and Neighbourhood Forums should be used to promote and develop the transfer proposal, whilst tenants were told, “Not to worry, it’s only a proposal.” This was a laughable misuse of the word ‘proposal’, since we are talking about a mechanism for pushing an essentially understated policy of Government to abrogate its responsibility for addressing housing poverty and reducing the role of local government.

Neighbourhood Forums had started out as a good initiative—they did truly listen to the concerns of tenants in a more participatory way than had been the case, with a view to actually addressing them. But this was a change of purpose which amounted to a deception of tenants by policy process—a concrete example of managerial manipulation to get tenants to ‘come on board’ a new agenda without the tenants being clear what was happening.

### ‘Led by the nose’

People often from fairly moribund residents’ groups and tenants’ associations were invited to join these ‘Forums’, which were then deemed to be representative. This should also be seen in the context of a situation where there had been huge propaganda to get people to become owner-occupiers with the Thatcherite ‘Right to Buy’ policy. In many areas the numerical strength and the extent to which these people had practical links in the community in terms of talking about housing issues as tenants was greatly diminished. They would have broader community credence if they had got together with the ‘Right to Buy’ owners to make sure that they were also properly represented, and that their interests dovetailed in a way that did not split up the community, that it did not become atomised. As it was, local government/housing officials got these people ‘on board’ the process and, importantly, with a few exceptions, they were not reporting back to the local populous—this is what the authorities called ‘Tenants Led’, or as many said ‘By the nose’.

Independent advisors were another aspect of this morally corrupt process, whereby information about the down side of stock transfer at meetings was not given. Discussion or queries regarding any possible negative aspect of this ‘big bang’ for Glasgow’s housing were discouraged with phrases like, “I have been asked to explain what it is about, not whether it is good or bad. That is for tenants to decide.”

### ‘We was robbed.’

The tenants’ movement in Glasgow was also being stripped away. It’s epitomised by what happened to Glasgow Council of Tenants Associations (GCTA)—co-ordinating body for tenants’ issues across the city that liaised with the Local Authority, acted as a ‘clearing house’ distributing useful information to tenants’ associations. Crucially, most people in Tenants Associations paid in a levy then administered by the City Council. Part of it went to this Tenants’ Resource Centre, and the rest the Tenants Groups got back in pooled instalments, as it was their money. Someone involved in GCTA got very disgruntled with the Council, believing they’ve retained substantial monies and that by holding onto them they’ve essentially been stolen.

We were about to have a lot more ‘stolen’ from us through the the huge cost of housing stock transfer, quite apart from what it’s going to cost after transfer—it’s estimated it will cost £800m to move Glasgow into the private sector.

### Murky ‘modernisation’

When it came to the so-called vote, less than 29,000 tenants voted in favour of the replacement ‘Glasgow Housing Association’ on the ballot paper, what they got was a legally registered body named ‘Glasgow Housing Association Limited’. Given what has gone on, it’s not surprising that legal challenges have been made that GHA with the ‘Limited’ is not the legal landlord. Anyway, combining those who voted ‘no’ with those who did not vote, at 50,000 out of over 80,000 tenants declining to favour the ending of Council housing in Glasgow, it’s hardly a ringing endorsement.

### Labouring under illusions

It’s interesting to compare-and-contrast Glasgow with the situation in Birmingham, which was going through a similar process. Birmingham voted 2:1 in opposition to stock transfer. Why did these two cities with a similar council house stock act differently? Could it be that nomenclature and the power of patronage exerted a stronger force in Glasgow than it did in Birmingham?

In Glasgow, Councillors showed almost total public unity with the leadership, Cllr Charlie Gordon; or at least silence. It’s said some Labour Councillors were against transfer but didn’t feel able to speak out in the interests of tens of thousands of citizens! Only Cllr John Flanagan publicly highlighted the wrongs of the Council abdicating its role as a provider of publicly funded and accountable quality housing provision as a human right to tenants and a duty of care and trust for the local government—Glasgow is still the poorest and unhealthiest city in Europe.

### Privatisation or Community Ownership?

Tommy Sheridan (SSP) and Dorothy Grace Elder (Independent) did speak against mass housing transfer, Sandra White (SNP) too—often seen at public meetings of the Glasgow Campaign Against Stock Transfer, who continues to speak up for her constituents.

However, the SSP manifesto stated ‘community based’ transfers were ok, if that is what tenants wanted. This presumes that tenants were informed of the case against and that the SSP were content with the financial framework within which such ‘Housing Associations’ have to work, in particular their relations with private finance. Initially the SNP had no policy on the issue, when they did it was to oppose it, but when they were accused of vagary they created a new policy which was



essentially another form of stock transfer.

Only a handful of politicians across Scotland's parties have been prepared to openly oppose housing privatisation. In Birmingham, there were Westminster MPs speaking out in favour of Council housing, City Councillors supporting local tenants' campaigns, Labour were by no means united against the tenants, and the England Defend Council Housing supported local campaigns. UNISON financially supported publications describing the dangers of losing council housing. By comparison, in the lead up to the ballot in Glasgow, UNISON conducted a lacklustre campaign with a couple of publications and poorly distributed poster. The material they did produce was excellent, but too little late in the day. The argument that they were 'keeping their powder dry' does not tell us why they were seldom seen on the campaign trail and why they continue to be so silent on this important issue across Scotland?

When one looks at the size of UNISON's membership and the potential for distribution across sectors within the union, many of whom are directly affected by housing privatisation in Scotland, there is great potential for a successful 'NO' campaign; in the interest of their own members living in council housing as well as the people of Scotland more generally. UNISON is a big well funded union with resources, it is time these were used effectively.

The next big transfer is in Edinburgh and fewer people there have an understanding of what housing transfer means than was the case in Glasgow 2002 transfer—contact the Scottish Tenants' Organisation and EAST (Edinburgh Against Stock Transfer) for the day-to-day. The Scottish Executive want to 'fast track' ahead, with balloting provisionally being rolled out from 16th November until presumably enough people return papers to give the process some air of legitimacy.

## Save Our Concierge!

The GMB was also noticeable by its silence. Hopefully it has recognised that, as a good working relationship has arisen based on the mutual interests between GMB members who are Concierge Workers/staff (whose jobs are seriously under threat) and tenants in multi-storey flats, to save the 24-hour fixed-site concierge service that also provides CCTV for tenants' safety. This is reckoned to be among the best in the UK, and before the transfer was thought to have saved the Council around £6m in graffiti and vandalism prevention alone.

GHA have said that they do not want to cut the concierge service, they want to 'enhance it'... by replacing it with 24 hour patrols in little vans moving about the city. That this was not a cost cutting exercise. However, information has come to light penned by a senior member of GHA management in Nov. 2003 which clearly states that this proposal, as it was then, was to be a cost cutting exercise and being done to facilitate the demolition programme of the GHA.

Substantial cut back in personnel would mean people feeling a lesser degree of security within their own homes. Without the current level of service it would be giving greater freedom to robbers, violent attacks, drug use and criminality, and incline towards an increased danger of fire risk associated with it. This is what housing activists had been warning about, as, if people feel unsafe in their own homes, it's a way of getting them to want to leave without being asked.

## Demolitions

Around 30,000 homes in Glasgow, mostly high-rise but many low-rise, which have had virtually no

repairs or long term maintenance since GHA took over, are under review for possible demolition. This is a broken promise. It is not because there is anything basically wrong with these buildings that they are under threat, although many people if asked, "Would you like to live there," would probably say no, as there has been a policy of deliberate neglect since before the GHA took over and continued by them.

There is also a lot of playing with language in relation to the question of demolition. Terms like lack of demand for 'non-traditional build' are used as a criteria/excuse—if you went round every house in Scotland on that basis most of the housing would be under threat. They say there is a lack of demand but it is a pitch based on a false premise—you can say there is a lack of demand, if you create it.

There seems to be an unstated yet tangible strategy whereby you have an unsympathetic combination of refugees, elderly 'locals', a few young families and a third grouping of people who have medical, addiction and behaviour problems requiring specialist care. It may be constructed on a policy of short-term financial gain from political schemes such as 'dispersal' of asylum seekers, but a decision is made to put these groups together in a sociologically negative way that results in people wanting to leave that building. So when a letter comes through door saying the building is soon to be demolished residents may be cheering from the rafters.

Added to this is the exceptional increase in intimidation through legal threats of eviction, where people not making their rent (for many reasons) go through over crowded courts, which also brings up the question of the lack of legal representation (which would be an additional cost). Over a three month period this summer there were 950 alone, which resulted in just 24 decrees, actual evictions—complete with the humiliation of having 'evicted' and the day's date written in chalk on your door. Many cases are what's known as 'technical' arrears', where there is a lag in say the housing benefit system catching up to a person's circumstances. Where before there would be an understanding that this was the case, it was 'in the system', it seems they are now being fast tracked immediately through the courts.

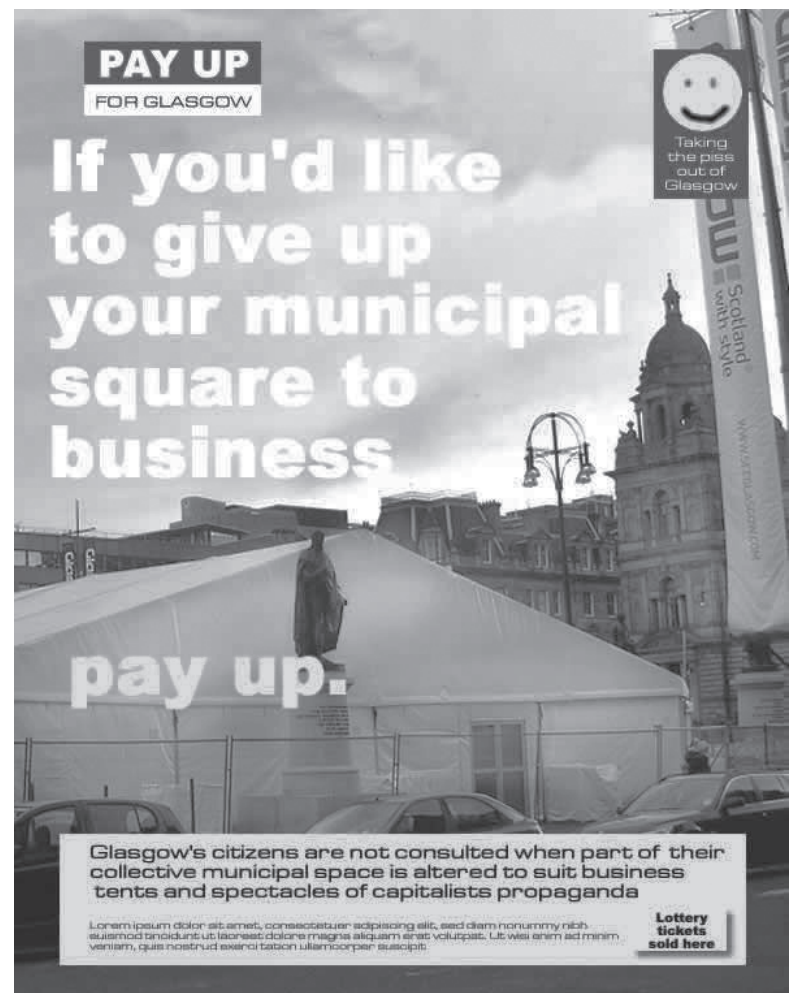
## Majic Media

Stock transfer has been thoroughly marketed through the media, especially the Evening Times. You see a headline, you start to read and it looks as if you're reading about saving trees or having a more pleasant environment. Unless you are reading very astutely, you may not realise the message it's attempting to convey. If you combine that with other articles and the mass media more generally, then you have what amounts to a campaign in favour of the corporate process sold as a touchy-feely idyll—Housing Associations are oh so much nicer than monolithic council housing.

There has been a mountain of misinformation spewed out from the whole propaganda machine. It seems strange that in a country that prides itself on a level of freedom of the press, campaigners have had to struggle for every column inch of coverage from the point of view of tenants. The process of stock transfer is unnecessary, costs millions of pounds that could be better spent on investing in the housing stock so that people can have a decent home, instead of spending hundreds of million of our taxes in order to mystify and privatise.

## The end of ideology?

Campaigners are often maligned as being ideological, as if that weren't the case with the



so-called 'pragmatists' or 'modernisers'—there is a restructuring process of privatisation going on but it's not being called that, except amongst themselves: "...the interest in housing and urban issues in Scotland generally, the advent of new procurement methods occasioned by Egan, and the privatisation of local authority housing stock and innovations such as Homes for the Future..." (The Lighthouse, The City of Small Things, a one day conference on housing, 1/3/01, Scottish Homes)

We should ask what are the reasons? Despite spending millions of public money on a compliant press, why are they still trying to disguise it in terms of 'community ownership'? And why, when in opposition, did Gordon Brown say of stock transfer, "Tenants have to fill in a ballot form but there is only one candidate on the list. This sounds more like a mediaeval dictatorship than a democracy" (Daily Record, 4/1/96)

The fact is that people have never requested it, it's being foisted on us—they know that people don't really want it. And if people got truthful information they would know what the real cost of the process is—one which is going to be still more costly yet. And who is going to pay for it all—the general tax payer to some extent, but a large burden is going to be put upon the people who are living in the houses.

## It seems like an almighty mess

If the general undisclosed plan goes to term, we are talking about a spatial realignment of the population along economic lines, whereby areas that were thought of as less desirable become more desirable depending on what one can afford. Where the whole process gets labelled as 'regeneration', when it's really a process in some cases of petrification and in others of downgrading the area, which you can see alongside the planned M74 link route.

The Glasgow Save Our Homes Campaign is not simply about houses, it is about saving our communities. There is a realisation that in order to challenge the dominant culture on these issues, common purpose and solidarity is needed. Only by friends and relatives, who happen to live in different areas, communicating and developing their links will people have any chance of a collective voice on this issue. Otherwise communities are likely to be picked off piece meal.

## Phased out

Glasgow's just gone through Phase One, which created the Glasgow Housing Association (Ltd.). Phase Two, or secondary stock transfer, will break most of the housing up into smaller Local Housing

Organisations (LHOs) with further opaqueness and buck-passing. The cozy term is misleading—people (particularly in the West of Scotland) have an idea of what they understand to be a Housing Association but LHOs are different to this. Their financial guidelines, and consequently their reason for existence, have changed as their guidance notes have been handed down from the Scottish Executive, guiding them along increasingly commercial criteria. This has got to the point where tenants on the Board and Committees of the GHA and its branch LHOs, while trumpeted as being Tenant Representatives, are ‘asked’ to sign a confidentiality agreement clearly pointing to the fact that they have signed to be part of the Landlord. So it is a deception when people are said to be Tenant Representatives as where the Landlord’s interests and those of the tenants diverge it clearly creates difficulties.

An example of buck passing includes the manager of an LHO apologising, saying, “I’m sorry someone from the GHA could not come along to the meeting tonight”, as if they are not from the GHA. They try to create the myth of a distance between the two parts of the GHA, when in fact there will only be distance between them when the LHOs become fully fledged Housing Associations on their own. Currently, these local branches may create a draft of their plans for the coming year or for particular housing or environmental projects, but they have to have them passed by GHA centrally, as the local budgets are part of the overall budget of GHA and they are required to comply with the strategic decisions agreed for GHA as a whole. LHOs, even if they have changed their names —e.g. from Streets Ahead Alliance to Mossspark Local Housing Association— are still part of GHA. This type of name change could be seen as yet another manipulation of local and public impressions of accountability and responsibility.

Sometimes the buck is passed the other way—if you talk to senior people in GHA they say they “can’t tell you the detail about what is happening locally, if you talk to the tenants on the Local Management Committee / Board they might be able to tell you”, because after all it is about tenant control. But if you speak to the tenants, whether committee members or not, they will often say, “We’re kept in the dark, they’re no telling us a thing.” But these same tenants, the ones on the Committees, cannot and do not tell other tenants because as you know they’re restricted by confidentiality—“We’re not really supposed to tell people.”

As LHOs leave the GHA and compete with each other for scarce financial resources they are likely to have to amalgamate. If so they may continue to trade under separate names but they would really be part of bigger organisations camouflaging the fact to maintain consumer loyalty at a local level. There are also big predatory landlords looking for new development, such as Homes in Scotland (in England simply called Homes) and Sanctuary. One was recently involved in a stock transfer in Anderson with the backing of the Scottish Executive.

There appears to be at least two lines of thought within this kind of neo-liberal authoritarianism. One is to have large stock transfers and then break thing up; the other is to chip away piece meal at an area, whether it be the size of Glasgow, Edinburgh, a smaller town or a more rural setting until all municipal housing is gone.

### **A sign of things to come?**

GHA has a surplus in excess of £140m that they could and should have paid to needed repair and maintenance of the homes of Glasgow’s tenants. As with Cedar Tenants Association’s lifts being mostly off for about six months and having to send

to England for a part, which exposes that there is no collective plan. Are they going to go through this every time a lift breaks down? It’s general purposeful neglect by the landlord. It’s not only big things like the lifts, lots of silly jobs are not being done, are accumulating and lending an air of dilapidation. You just have to walk through these places to get the feeling that people are being unconscionably defecated upon from a great height. A decent landlord would have a zero tolerance policy on repairs—if it’s repaired as soon as it is observed or reported it will cost less, even including labour time, simply because their will be no accumulative effect of deterioration.

What have they done with the money?

### **Red Road & Sighthill high flats—utter contempt**

The tenants who live in these areas were not informed that their buildings were earmarked for demolition—the press was informed before the inhabitants. In the case of Red Road, there was a press conference held within the tower blocks. Nobody knew about it except the invited media—nobody else was supposed to know about it, especially the tenants affected by the decision. The same thing was repeated in Sighthill. It also transpired that they sent out information to some tenants second class, virtually guaranteeing that it would arrive after a meeting. This is from an organisation that says it has a tenant participation strategy which is freely available to be seen on the GHA web site. Maybe they realise that the majority of tenants do not have computers, never mind access to their web site. Unless information about such things is available in a reasonably popular and available manner then people will not know about tenants’ participation or that it has a specific meaning, having been negotiated with the Scottish Tenants Organisation.

### **Rent Rise?—the double negative letter**

There was a promise before the transfer that rents would not increase above the level of inflation plus 1-2% for a period of eight years, which was then reduced to five. But very quickly a convoluted, virtually incomprehensible letter was sent to tenants about rents, basically asking for their permission to increase rents and break the guarantee, but written in a way that could only be intended to deceive. Campaigners advocate that people should be able to have affordable rents and a high level of public investment.

### **Openness?**

It is a strange creature—GHA and other post-transfer landlords tend to portray themselves as private or public when it suits them. They are regarded by the Treasury as private, however they are also regarded as public housing bodies in the sense that they are responsible for housing large numbers of people and links in with public and social policy. So there is a foginess which requires some analytical rigour. Government should make itself open to dialogue to define the situation as regards these new landlords. One thing that deserves attention is that Housing Associations are exempt from the Freedom of Information Act, despite the fact that they are responsible for housing tens of thousands of people all over Scotland. This may be because of the present transitional phase. Given that there is an aim to establish the current LHO branches of the GHA as self standing, maybe their priorities are their future commerciality. They say that there will be community control but what form of realistic community representation has there been, and

then even with community representation what form of power can there be to participate in agenda setting before policy has been set?

### **Communities Scotland...**

The people who are supposed to be overseeing this, whom you can complain to, are Communities Scotland, which is a branch of the Scottish Executive. Both of these are part of the process of promoting the housing stock transfer process / ideology, but they are also supposedly having a National Engagement with Tenants...? Independently minded tenants’ groups will have to come to a judgement as to what extent the danger of becoming ‘embedded’ in someone else’s process overrides their ability to function. The only thing I’ve noticed is the establishment’s fear of organisation—they are ‘shitting themselves’ at the thought of people getting organised. The thing now is how can we give people all this information, the facts and figures, because they know that if people get to know some of this stuff...

#### **Contacts & Links**

Glasgow Save Our Homes: Save Our communities  
Tel. 07976 718 111 or 07940 937 241  
or 0141 881 3338.

Scottish Tenants Organisation  
Tel. 07976 718 111 or 07790 214 857

EAST (Edinburgh Against Stock Transfer)  
Tel. 07977294 865

Tayside Tenants  
Tel. 0138 277 4370  
[www.taysidetenants.org](http://www.taysidetenants.org)

City Strolls  
[www.citystrolls.com](http://www.citystrolls.com)

Scotland Indymedia  
[scotland.indymedia.org/newswire/display/2079/index.php](http://scotland.indymedia.org/newswire/display/2079/index.php)

Defend Council Housing  
[www.defendcouncilhousing.org.uk](http://www.defendcouncilhousing.org.uk)