



Edinburgh TUC Anti Cuts Newsletter February 2013

Shocking Stafford Hospital Report

This damning report has been published today. It refers to years of abuse and neglect at the hospital that led to the unnecessary deaths of hundreds of patients. It is painful for the labour movement to find out that all this happened while a Labour Government was in power. On the other hand trade unions were warning Labour at the time about the effect of budget cuts, PFI and competitive tendering.

The report describes how patients were failed by a system which ignored the warning signs and put corporate self interest and cost control ahead of patients and their safety.

The system referred to is not of the past but is with us today. The system is well established and getting worse as austerity bites. There will be more unnecessary deaths up and down the UK.

It must be one of the most hypocritical statements of a young 2013 for Cameron to say that he was truly sorry for what happened. The cuts he presides over is having the effects he condemns. His solution is not any amendment to austerity (not to mention its abandonment) but to create a new post of chief inspector of hospitals. What a weak response!

More Food Banks Needed

An unwelcome feature of austerity UK is the growing Food Bank movement which meets a real need. A good description of what a Food Bank in Norfolk does can be read on: <http://www.spectator.co.uk/features/notebook/8824151/letter-from-the-foodbank/>.

From the information available on the web it seems that there are now over 300 Food Banks in the UK with perhaps as many as 22 in Scotland including

two in Edinburgh and one in West Lothian. A Foodbank is planned both for Midlothian and East Lothian. Food Banks are organised by the Trussell Trust which has a website with details including the locations of all Food Banks in the UK.

East Edinburgh Save Our Services Public Meeting - Thursday 24th January 2013

The well attended public meeting was addressed by Councillor Andrew Burns who is the leader of the Capital Coalition (SNP-Lab) which runs the City Council. Edinburgh has the only SNP-Lab coalition in Scotland.

He described the formulation of the first Coalition budget which will be voted on 7/2/13. The budget included an ongoing commitment to a wage minimum, for Council staff, of £7.50 per hour. There is going to be consideration of extending this minimum to the voluntary sector where the Council controls the funding. The Council are operating in a context where the Scottish Government are reducing its funding to Edinburgh of 2% per year. Despite this cut the Council will want to maintain the level of funding to the voluntary sector. It will increase funding for welfare rights services given the drastic changes in benefits that the UK Government are implementing.

Councillor Burns was asked questions about the bedroom tax or the changes in housing benefit which will mean that tenants deemed to have a bedroom additional to their needs will have benefit cut by 14% and if it is two bedrooms the benefit will be cut by 25%. Councillor Burns was asked if he could promise on behalf of the Council that no tenant would be evicted if the tenant could not afford the rent. Councillor Burns replied that the Council was looking at this issue. He pointed out that the

Council welcomed receiving public views on this policy area via petitions to the Council's new Petition Committee. There was a strong call from the meeting for the community and trade unions to support families threatened with eviction.

The next speaker was Bill Scott from Inclusion Scotland. He described to the meeting the latest information on the effects of benefit cuts. The overall impact of the cuts was bad enough. The impact will be greater on disabled people and women. Some disabled people will lose £4k per annum. The cuts will have a double impact on the bottom 20% of the population in Edinburgh in terms of income.

The meeting agreed that there was a need for a public campaign to counter the UK Governments lies about the effect of benefit cuts on benefit recipients.



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predicted rate from 2013 to 2015. It might well work out that the increase in 'cost' might be less than inflation.

If the rise took account of the increase in rents then it might show that the real value of housing benefit will have fallen significantly by 2015.

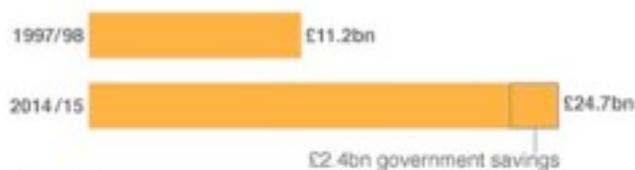
Of course the benefit is not actually paid to claimants. It is paid to landlords. The increase in housing benefit may be more related to the factors that lead to large rent increases. In other words the increase has nothing to do with the so called 'scroungers' that Osborne talks about. Reducing rent and Housing Benefit costs could be reduced more effectively by building more houses to meet people's needs. This would reduce rents.

In an economics sense the cost portrayed in the graphic is not a true cost. It only represents what the Government pays to landlords. Where those landlords are local authorities and housing association or other social housing services the money is used for socially important services. Much of the money returns to the Government as tax and insurance.

Some experts have said that the **net** cost of housing benefit to the Government is very low when you make a full 'cumulative impact assessment' of the benefit.

The graphic gives the strong impression that we have a benefit that is unaffordable and is rising out of control. This is not the case. It represents part of a systematic campaign to mislead the public.

Rising cost of housing benefit



Source: DWP

An Example of how the ConDem Government misleads people

The source of this little graphic is the DWP. It portrays the apparent rising cost of housing benefit. If the above information was adjusted for inflation (over an eighteen year period) then rise would be much lower. We do not have all the inflation data between 1997 and 2013 nor do we have the

Housing Benefit Fraud?

This is another example of how the ConDem Government and it's media supporters try to mislead the British public.

The current Housing Benefit budget is around £22 billion. Of that £1 billion is overpayments and some papers will comment as if that represented the fraud cost. But it does not. £100 million of the £1 billion is official error. £700 million is customer error which is defined as accidental miscalculation by claimants. The amount set down to fraud is £ 200 million which is defined as the 'deliberate appropriation of undeserved benefits by claimants'. We understand that this definition has been stretched to include fraud perpetrated by criminal landlords. Whatever the definition it is clear that less than 1% of housing benefit is claimed fraudulently. Not much compared with the tax evasion of the rich.