



Edinburgh TUC Anti Cuts Newsletter August 2013

DISCRETIONARY HOUSING PAYMENTS: CITY COUNCIL DECIDES NOT TO TOP UP

At a Council Committee meeting in May a Green Party motion to top up the Discretionary Housing Payment Fund was rejected. The Fund could have been increased up to £3.3m. Instead the fund is limited to £1.3 million. 75% of tenants hit by the Bedroom Tax could have been supported but only 25% will be.

The Council have decided on categories of tenants who could be supported but not of all of them in the categories will be. This includes disabled tenants and tenants suffering from severe financial hardship.

Councillors have been asked for an explanation for the decision not to top up. They say that there is no evidence of a demand from tenants for payments that cannot be accommodated by the initial fund of £1.3 million. It was put to Councillors that it was not surprising that the demand did not yet exist because tenants did not know an application might be successful if the fund was topped up. Tenants in the City do not know about a possible topping up.

One would have thought that Housing Associations would be encouraging tenants to apply for a DHP as it would prevent rent arrears piling up. This would be in the HA's interest as a landlord. A quick examination of some Edinburgh HA's websites does not reveal any significant information regarding Discretionary Housing Payments and possible topping up.

Worsening Rent Arrears

The result of not topping up is that rent arrears are growing. East Ayrshire Council says that its arrears have increased by 340% since the first of April.

Other local authorities and Housing Associations are finding it difficult to let larger houses because tenants cannot afford to move into them. This is because tenants will have to pay up to £90 of monthly rent if they moved to such a house. There are more empty houses because of the bedroom tax.

What is happening in Edinburgh?

A City Council Committee considered an update on the Bedroom Tax at its meeting on 6/8/13. This report shows that Council tenant rent arrears have soared since the bedroom tax came into being in April. Before April 27% of affected tenants were in arrears. By the end of May this had increased to 72%. The report does not deal with the tenants of social housing agencies so we do not know the full picture in Edinburgh. It is probably true that rent arrears have also soared for the tenants of housing agencies. This is more worrying as housing agencies have not renounced eviction as a measure they may use.

These figures show that, as predicted by critics of the bedroom tax, hardship has increased. Edinburgh unions have urged the Council to revise its criteria for Discretionary Housing Payment. Instead of a tenant having to prove exceptional hardship we think they should just have to prove hardship.

The Council has been urged to fully inform affected tenants of the Discretionary Housing Payments criteria. So far only about 20% of tenants have applied - much less than those accumulating rent arrears.

Council may top up fund if there is demand

Council leaders have said that if the demand for DHP payments exceed the current budget then consideration will be given to topping the budget up.



THE EDINBURGH ANTI CUTS ALLIANCE

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be to widen the gaps in prosperity between the best and worst local economies across Scotland."

Lobby of Tory Party Conference - Sunday 29th September

This year's Tory Party UK Conference will be held in Manchester. The trade union movement is organising a mass lobby of the conference. Solidarity from people in Scotland is very much welcomed.

The main themes of the protest will be to defend the NHS- Defend Jobs and Services - No To Austerity.

Trade unions will be running buses down to Manchester. The buses from Edinburgh will be leaving early on Saturday morning and returning later in the day. Some unions are thinking of sending delegations by train.

We will have further details in our September Newsletter.



More Cuts In The Pipeline

You may think cuts to date have been bad but worse, far worse, is to come if the Condem government are not stopped.

Over the next 5 years the cuts in welfare benefits will extract £223 million from the Edinburgh economy. This will be very damaging for local authority services and local businesses.

Experts state the the UK cuts that have hit Scotland so far have totalled £ 1.8 billion. However, over the next few years a further £ 2.7 billion cuts, on top of the previous cuts, are planned.

Government spokespersons try to justify these cuts by saying they are necessary to get back prosperity or to create private sector jobs. The Condemns claim that 1.5 million private sector jobs have been created since they took power. No one knows whether this figure has any justification but we are sure that very few of the jobs are full time and reasonably paid. Most will be part time, agency or zero hour contract jobs. Some experts have thought that over half the jobs created are zero hour contract jobs where employees have no guaranteed weekly hours and therefore wages.

Managing The Social Risks of Public Spending Cuts In Scotland

The Joseph Rowntree Foundation has reported on how five anonymous Scottish local authorities have managed the cuts. The report was published earlier this year and was carried out by Glasgow Caledonian University. The full report runs to 61 pages.

The report has an Executive Summary which is critical of the way local authorities take into account the needs of vulnerable and disadvantaged communities when deciding cuts to budgets. The Equality Impact Assessment procedure is not, in reality, suitable for deciding needs.

The absence of a proper procedure has meant that the way the five authorities have focused on immediate cost savings has increased inequality among the most vulnerable communities.

Local authorities have failed to take into account that austerity is increasing the number of people in vulnerable communities. Local authorities are cutting services at the same time as demand for the services is increasing. One of the results of the failure is that there is poor data on the impact of cuts.