



*Prime Minister*

Government Chief Whip  
12 Downing Street, London SW1

cc Mr Cow

PRIVATE AND CONFIDENTIAL

*MP*  
*2/3*

*Row Michael*

You have made it very clear, over a number of months, that you feel your Bill to extend the right-to-buy for Council House tenants, is a matter of great political urgency.

I have not been aware of this urgency, except from yourself. Therefore I have undertaken an enquiry into it.

I. THE EXTENSION OF THE RIGHT TO BUY TO THE 40,000 - 50,000 TENANTS WHOSE LANDLORD DOES NOT OWN THE FREEHOLD

Your Department have been very helpful, as John Stanley's office has given me three lists, detailing the urgency as follows:

- i) Concentrations of Leasehold Property in Local Authority Ownership
- ii) Conservative MPs who have written about RTB Leasehold
- iii) Other letters (other than from individuals)

I have attempted to analyse them, as follows.

i) Concentrations of Leasehold Property in Local Authority Ownership

First, I have taken the figures of houses where this problem is most concentrated, according to your Department, and made a rough assessment of how many tenants are likely to be interested in buying, on average in each of the constituencies concerned; using the figure of 6.4% of the total eligible. This figure (6.4%) was also supplied by your Department. It is a reflection of the 440,000 who have applied to buy, under existing legislation, as a percentage of those who have the right.

Next, I have considered how many marginal seats there are in each area of

concentration. I have used Labour seats with under 5,000 majorities and Conservative ones with under 7,500. Of course, I cannot question Labour Members, but I have spoken to all the 7 Conservative Members. You will see that not one of them sees any urgency about this legislation. See Annex A.

ii) Conservative MPs who have written about RTB Leasehold

Your Department supplied a list of 17 of our colleagues who have written to your Department. Only 7 of them have majorities of under 7,500. Of these, only David Bevan has a constituency in your own defined concentration areas. His lack of concern is expressed in Annex A. I have spoken to 4 of the remaining 6 Members and attach their comments in Annex B. I think you will agree that they do not reflect a demand for urgent legislation.

iii) Other letters (other than from individuals)

All of the letters received from the North West are from Labour held constituencies. But only Accrington, Heywood & Royton, Middleton, Bury and Bolton have majorities under 5,000. Only Bolton appears on your own list of concentrated areas.

In the London area, most of the seats are Labour controlled. Only 4, (Dulwich, Lewisham East, Lewisham West and Holborn & St Pancras South) have Labour majorities under 5,000. There are 2 Conservative seats in this group with majorities under 7,500. Geoffrey Finsberg's comments appear in Annex B; Peter Bottomley says "Pretty slim urgency; only 1 case known". I think that the attitude of our Conservative colleagues could be described as lukewarm.

2. THE EXTENSION OF THE RIGHT TO BUY TO 70,000 - 80,000 TENANTS OF CHARITABLE HOUSING ASSOCIATIONS

John Stanley's Private Secretary told Felicity Yonge on February 17 that it was not possible to provide figures on the geographic spread of charitable housing associations. I gather that there are 70,000 to 80,000 of these properties. If only 6.4% of tenants of these apply to buy, that amounts to only about 7-8 tenants on average in each constituency.

SUMMARY

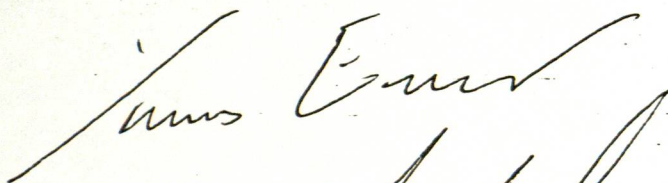
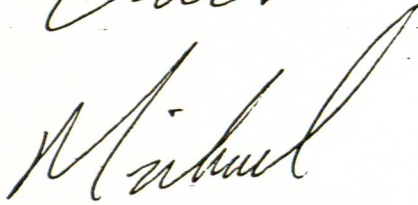
If the attitude of our colleagues is any yardstick, there does not seem to be a large political harvest in this legislation. There is little enthusiasm for legislation on council tenants in leasehold property. I am sure you will also agree that this legislation will be fought tooth and nail by the Opposition; also legislation on leasehold and housing associations could give rise to added concern elsewhere.

Therefore, whilst I accept that this legislation would have an important effect in Dulwich and Bolton, there is little evidence of its wider importance as a significant election winner. Indeed, the comments of our colleagues are not remotely enthusiastic. It is rare to find constituencies which are likely to have more than a handful of tenants likely to be interested.

Whilst it is now clear that the legislation cannot go into this year's programme, I do wonder whether we are putting too much importance on it, and whether it is worth pursuing at all. Coming in the run-up to the next election the legislation may well have to be guillotined in the same way as your earlier housing Bill.

Would you consider this evidence and let me know whether you think we could not alter our attitude.

I am copying this letter to the Prime Minister and all members of QL and to Sir Robert Armstrong.

The Rt Hon Michael Heseltine MP  
Secretary of State for the Environment  
Department of the Environment  
2 Marsham Street  
London SW1 3EB

## ANALYSIS OF DOE LIST OF "CONCENTRATIONS OF LEASEHOLD PROPERTY IN LOCAL AUTHORITY OWNERSHIP"

Area	No of Houses Concerned	No of Constituencies (Con.held in brackets)	Average per Constituency	Tenants likely to be interested on 6.4% takeup average per constituency	Labour Majorities under 5000	Conservative Majorities under 7,500
Newcastle upon Tyne	4,000	4 (1)	1,000	64	-	1.North Sir W Elliott 1711 "Not aware of this problem"
Bolton	10,000	2 (-)	5,000	320	1.East.Young 1852 2.West.Taylor 600	-
Birmingham	4,000	12 (5)	333	21	1.Erdington Silverman 680 2.Handsworth Wright 3209 3.Perry Bar Rocker 491 4.Stetchford Davis 1649	1.Northfield Cadbury 204 "Haven't had a letter on this. Not a major problem" 2.Selly Oak B.Dark 4775 "Not a grave problem.I should have thought we had better things to do" 3.Yardley Bevan 1164 "Would not make much difference here".

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London						
1. Lambeth	1500-3000	4 (1)	375-750	12-22	1. Norwood Fraser 1940 2. Vauxhall Holland 4700	1. Streatham Shelton 5500 "No pressure of any kind".
2. Southwark	1850	3 (-)	616	39	1. Dulwich S Silkin 122	-
3. Westminster	1000	3 (3)	333	21	-	1. Paddington Wheeler 106 "One or two letters, no pressure, entirely relaxed".
4. Hammersmith	1600	2 (2)	800	51	1. North Soley 3506	1. Fulham Stevens 7499 "One letter in 10 years".
Wales						
Merthyr Tydfil	3000	1 (-)	3000	192	-	-
Pontypridd	1000	1 (-)	1000	64	-	-
Abergavenny	Several Hundred	1 (1)	?	?	-	-

CONSERVATIVE MPs WHO HAVE WRITTEN ABOUT RTB LEASEHOLD

Midlands

David Bevan (Birmingham, Yardley) 1,164 "Would not make much difference here".

London & SE

Sir Brandon Rhys Williams (Kensington) 5,463 "I can't remember more than an odd case. There are more important things to do in housing.

Robert Dunn (Dartford) 1,392 "No Dartford problem. Concerned about Dulwich"

Neil Thorne (Ilford S) 1,688 "Not a great problem in my constituency".

Geoffrey Finsberg (Camden) 368 "I am being pressed on this by about 12 constituents".

Bowen Wells (Hertford) 1,296 Not available. Away on Parliamentary delegation.

South West

Michael Colvin (Bristol NW) 4,677 Not available. Away on Parliamentary delegation.