

Haison Committee

24th August 1982

Thank you very much for your letter of 30th August, with which you enclosed a copy of your letter to Cecil, dated 15th August.

I would like to suggest the addition of the following sentence at the end of the last paragraph on page (1) of your draft letter:-

"It may well be that, bearing in mind the income tax relief to which you will be entitled on your mortgage, it will actually cost you less to buy your house than to pay rent to the Council."

IAN GOW

John Stanley Esq MP

cc. The Rt Hon Cecil Parkinson MP

23rd August 1982

Ian is away today, and so I am just writing to thank you very much for sending him a copy of your letter to the Chairman, dated 15th August.

I will, of course, make sure that he sees this when he returns tomorrow.

Tessa Gaisman (Mrs)
Political Office

John Stanley Esq MP

From: John Stanley, M.P.



HOUSE OF COMMONS
LONDON SW1A 0AA

August 20.

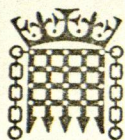
Dear Ian.

I have sent a
separate copy of the
attached to Marygard
but I thought you would
find it helpful to
have a copy also.

Yours ever.

John.

From: John Stanley MP



HOUSE OF COMMONS

LONDON SW1A 0AA

15 August 1982

Rt Hon Cecil Parkinson MP
Chairman of the Party
Conservative Central Office
32 Smith Square
London SW1

As you know, at the Liaison Committee meeting on 28 July the Prime Minister asked that we should give further impetus to council house sales through the Party organisation. I said that I would draft a standard letter that, with local variations, could be used for house to house delivery on council estates by Conservative Councillors and Branches. I attach a draft.

As you will see, there are two pieces of information that local Conservative Associations will need to fill in for themselves. The first is the figure for the number of sales (both right to buy and voluntary) in their area since May 1979. The latest figures we have in the Department for each local authority are for the period April 1979 to April 1982 and I have already given these to Central Office for passing on to all Area Agents. Councillors should be able to get still more up to date figures from their own authorities. The second piece of local information is the illustrative valuation figures for dwellings that have recently been sold. Councils should be willing to provide this information for illustrative purposes as long as it doesn't identify the valuation of specific dwellings that have been purchased.

You will note that I haven't drafted the letter on the basis that every tenant will get with it a valuation of his own particular dwelling. I am afraid that the local authority manpower and expenditure implications

of this course are such that I can't recommend it. To get the progress we all want with the right to buy we must not divert valuation manpower from tenants who are actually buying to those who are still undecided. However we can achieve the objective of bringing home to tenants that buying may be relatively inexpensive compared with renting by using illustrative valuations (after discount), together with the weekly net of tax cost of a £10,000 mortgage.

I hope that we can get this letter out to all Associations in September and I am ready to discuss any points you wish.

I am copying this letter and the draft to the Prime Minister.

Dear Resident

During the last 3 years, well over 300,000 council tenants in Britain have achieved the goal of a lifetime; they have become home-owners. In our city/borough/district of (), () council houses have successfully been purchased since the Conservative Government was elected in 1979. Applications to buy are still coming in.

We have tried to give tenants all the help we reasonably can in getting the price down to a level they can afford. You get a discount of one-third off the market value of your house or flat after you've been a tenant for only 3 years, and the discount goes up to 50% if you've been a tenant for 20 years. If you can't afford to buy immediately you have the right to an option to buy in 2 years time - during which the price of your house or flat will remain fixed. Here are some local illustrations of what you might pay for a council house or flat in our area assuming a 42% discount which is the average discount that council tenants are getting nationally:

2 bed house without garage on () estate	£.....
3 bed house without garage on () estate	£.....
3 bed house with garage on () estate	£.....
1 bed flat at ()	£.....
2 bed flat at ()	£.....

The actual price of your own council house or flat would of course depend on its particular valuation and on your own discount entitlement.

If you need a mortgage, you have a legal right to one - and its worth bearing in mind that the weekly payment on a £10,000 mortgage (and some tenants won't need to borrow as much as that) is now only £17.56 after tax relief and assuming mortgage interest at 12%.

Is this the time for you to think about buying your council house? If so, your local Conservatives are ready to help you. No other political party wants to give you the right to buy your home. Indeed, if given a chance they will take that right away from you - and your children.

A booklet on "The Right to Buy" (is enclosed) (is available from local Conservative Office/Council Offices - address, tel. number). If you have any questions about your right to buy, we will be glad to help you.

Yours sincerely

- () MP for ()
- () Prospective Conservative Candidate for ()
- () Conservative Councillor for () Ward
- () Conservative Chairman of () Branch