



Handwritten initials and marks in the top right corner.

Top copy
Housing Policy
Pet. CF

10 DOWNING STREET

From the Principal Private Secretary

7 May 1981

HOUSING LEGISLATION: DEREGULATION OF RENTS

When the Home Secretary called upon the Prime Minister this afternoon, they discussed briefly his minute of 5 May 1981 reporting the conclusions of H on the proposals of the Secretaries of State for the Environment and Wales for housing legislation next Session.

The Prime Minister said that her primary concern was to increase the amount of private accommodation in cities and big towns which was available to rent. She was doubtful whether the proposal for the deregulation of rents set out in H(81)33 was worth pursuing: if the power to disapply the fair rents system from lettings to new tenants was not to be used in metropolitan areas, the amount of additional accommodation that would become available for renting would be unlikely to be big enough to offset the inevitable political controversy. We should find other ways to encourage new private sector building for renting. One possibility was to exempt new property built for renting from rent control.

The Home Secretary said that he would arrange for the Prime Minister's suggestion to be explored as part of the further work which was being done in preparation for H Committee's resumed discussion in a fortnight's time.

I am sending a copy of this letter only to David Wright (Cabinet Office).

C. A. WHITMORE

John Halliday, Esq.,
Home Office.

CONFIDENTIAL

Handwritten initials 'PH' in the bottom right corner.