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Housing
DEPARTMENT OF THE ENVIRONMENT

2 MARSHAM STREET

LONDON SW1P 3EB

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MINISTER FOR HOUSING AND CONSTRUCTION

14 April 1981

Nick Huxtable Esq
PS/Chancellor of Duchy of Lancaster
68 Whitehall
London

cc Press office

Mr Pattison

MS

PA
MS

Dear Nick,

PROPOSED ORAL STATEMENT ON THE RIGHT TO BUY

You of course, saw a copy of the draft statement enclosed with David Edmonds' letter of ~~9~~ April. And as you know that statement which was to have been made yesterday by Mr Heseltine is now to be made tomorrow by Mr Stanley.

/ I attach a copy of the latest draft of the statement.

I am copying this to Mike Pattison (Number 10), John Craig (Welsh Office), Godfrey Robson (Scottish Office) and to the Chief Press Secretary at Number 10.

Yours sincerely,

Robin Young

R U YOUNG
Private Secretary

DRAFT

Right to Buy

1. With permission, Mr Speaker, I wish to make a statement concerning intervention under the right to buy provisions of the Housing Act 1980.
2. On 21 February last year during the Standing Committee proceedings on the Housing Bill I gave an assurance that the Government would take the necessary administrative steps to indicate to a local authority when we were contemplating serving a notice of intervention under what is now Section 23 of the Act. That Section gives the Secretary of State power to intervene where it appears to him that tenants have or may have difficulty in exercising the right to buy effectively and expeditiously.
3. The right to buy provisions of the Housing Act commenced on 3 October last year. They have therefore now been in force for more than 6 months. That is an appreciable period in which progress in implementing the right to buy can be demonstrated, or not.
4. It is quite evident that in certain authorities there has been very little progress. On 4 March and 1 April I named in the House, 27 authorities with which we had taken up formally their progress in implementing the right to buy. We have since obtained further information from them all.

C O N F I D E N T I A L

We are not satisfied with many of the replies we have received, and further evidence of progress is being sought from these and other authorities. However in the case of 7 authorities, it appears already that the rate of progress is so unsatisfactory that intervention under Section 23 would be justified.

6. In accordance with the assurance I gave during the passage of the Bill, letters are therefore being sent today to the 7 authorities concerned stating that the Secretary of State is contemplating serving a notice of intervention on them.

7. The letters ask the authorities to provide by Wednesday 13 May further information on their current and estimated future progress with implementing the right to buy.

8. If at that point, it appears that the tenants of any of these authorities have or may have difficulty in exercising the right to buy effectively and expeditiously a notice of intervention will be served under Section 23 of the Act.

9. The authorities concerned are as follows: Barking and Dagenham; Camden; Greenwich; Newham; Sheffield; Stoke on Trent; and Wolverhampton.

10. The rights of council tenants to buy their homes are legal rights granted by Parliament. The Government will take what steps are necessary to see that those legal rights are upheld.

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14 APR 1968



Housing
PRIVY COUNCIL OFFICE
WHITEHALL LONDON SW1A 2JL

Chancellor of the Duchy of Lancaster

14 April 1981

Dear Sir,

VMS

Thank you for your letter of 13 April to David Heyhoe, giving notice of an arranged Written Statement which your Minister intends to make tomorrow. *will request if required*

The Chancellor of the Duchy has seen your letter and has no objection to Mr Stanley proceeding as proposed.

I am copying this letter to the recipients of yours.

Yours sincerely
[Signature]

N P M HUXTABLE
Private Secretary

R U Young, Esq
Private Secretary to the
Minister for Housing and Construction
2 Marsham Street
LONDON

Right to buy
Going to D. Heyhoe.
Cancel Housing.



SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AH

Prime Minister

The Rt Hon Michael Heseltine MP
Department of the Environment
2 Marsham Street
London
SW1P 3EB

MH
10 April 1981
10/14

Thank you for copying to me your letter of 31 March to Michael Havers about action to secure the implementation of the right to buy.

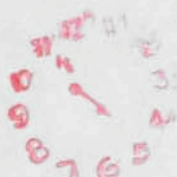
Although your proposals relate to a different mechanism for enforcement from that which underpins the Tenants' Rights Act in Scotland, the firm line which you propose to take is consistent with that which I am adopting towards Scottish local authorities. You will be aware that the only authority in Scotland overtly resisting implementation, Dundee District Council, has now given way, following default proceedings, and I am turning my attention to authorities which are adopting delaying tactics. I am currently considering whether to use my default powers against one authority which stands out as being particularly blatant in causing deliberate delay, Stirling District Council. If I decide to do so I would be announcing the first step, the holding of a public inquiry, in the next week or two and the inquiry would take place in the latter half of May.

This letter is copied to recipients of yours.

MH

GEORGE YOUNGER

POSTAGE PAID





2 MARSHAM STREET
LONDON SW1P 3EB

My ref:

Your ref:

9 April 1981

1. Not's
2. Prime Minister
Here is a preliminary
draft of Mr Heseltine's
'Right to Buy' statement,

Dear Mike which is now set
for Monday. 9/4

PROPOSED ORAL STATEMENT ON THE RIGHT TO BUY

As you know, my Secretary of State has been considering an oral statement on the action to be taken with respect to those authorities which are deliberately not implementing the right to buy provisions of the Housing Act.

He has discussed timing with the Chancellor of the Duchy with a view to making the statement before the Easter Recess. We are now proposing that the statement should be made on Monday, 13 April. I attach a copy of the latest draft: it will be shortened.

I am copying this to Nick Huxtable (Chancellor of the Duchy's office), John Craig (Welsh office), Godfray Robson (Scottish office) and the Chief Press Secretary at No 10.

Yours ever
Dave [Signature]

D A EDMONDS
Private Secretary

Mike Pattison Esq - No 10

RIGHT TO BUY INTERVENTION

MS 1

DRAFT ORAL STATEMENT

1. With permission, Mr Speaker, I shall make a statement on the progress of certain local authorities with implementing the right for public sector tenants to buy their homes.
2. The Bill which became the Housing Act 1980 was published on [] 1979. It received the Royal Assent [] months later on 8 August 1980. The provisions on the right for public sector tenants to buy their homes commenced some two months after that on 3 October last year. Their general outline and much of the detail remained as they had been when the Bill was introduced. Local authorities had therefore had ample time to study the proposals and to make the necessary preparations to implement them.
3. The right to buy has now been in force for more than six months. Local authorities have therefore had an appreciable period in which to demonstrate whether their tenants have or may have difficulty in exercising the right to buy effectively and expeditiously.
4. [Good progress is being made in many authorities but] it is becoming increasingly clear that in certain authorities tenants are seeing very little progress with their applications - even with the early stages of issuing the form RTB2 and the making of valuations. On 4 March and 1 April, my hon Friend, the Minister of State for Housing and Construction, named 27 authorities which we had approached formally about their apparent lack of progress in implementing the right to buy. Since then, we have sought further, up-to-date information on the position from these authorities. I have also been taking a close interest in progress in a number of other places.

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5. From that information, and from representations made to me by tenants or on their behalf, it appears to me that tenants in a number of authorities have or may have difficulty in exercising the right to buy effectively and expeditiously. The authorities are the following:

[

].

6. The other authorities included among the 27 named earlier should not interpret their omission from the list I have just given as implying necessarily that I am satisfied with the progress which they are making. The same may be true of other authorities not so far included among the 27. But I believe that I would be failing in my responsibilities under the Act if I did not now act in respect of the [no.] authorities which I have just named.

7. During the passage of the Bill, we undertook to give administrative warning to authorities where we were considering intervening under Section 23. Letters are today being sent to [rename authorities] to give them this warning. The letters ask the authorities to provide by [Wednesday, 13 May] further information on progress with implementing the right to buy. I shall consider carefully what the authorities say to me in reply. But if it then still appears to me that their tenants have or may have difficulty in exercising the right to buy effectively and expeditiously (bearing in mind the time which will have elapsed since they claimed the right to buy), I shall serve notices of intervention under S.23 of the Act, and forthwith take over the task of completing the sales [and dealing with new applications.]

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8. If it does become necessary to use my intervention powers under Section 23 of the Act I shall do so with regret. The responsibility to sell council houses to tenants who have submitted a valid notice clearly rests with the local authority and I look to authorities to comply with that responsibility as, indeed, most of them are. But I have to consider, too, the legal rights given by this House to the individual. We should not allow the rights of the individual to be frustrated ^{or realised only after long delay.} That will be my paramount consideration.

159 APR 1981

10 11 12 1 2 3 4 5 6 7 8 9

Henry

WYDDO-A GYMREIG
GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switsfwrdd)
01-233 6106 (Llinell Union)



WELSH OFFICE
GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switchboard)
01-233 6106 (Direct Line)

Oddi wrth Ysgrifennydd Gwladol Cymru

The Rt Hon Nicholas Edwards MP

From The Secretary of State for Wales

CONFIDENTIAL

7 April 1981

*N/S MS
To see X*

De Michael

T.P.M. MA

Thank you for copying to me your letter of 31 March to Michael Havers about the Right to Buy provisions in the Housing Act 1980.

So far as Wales is concerned, we are closely watching three local authorities: Newport - a special case - where the Council have resolved not to sell 'prefabs' and ground floor flats but are otherwise selling well; and Cardiff and Wrexham Maelor who appear to be processing sales less than expeditiously but are not overtly refusing to obey the law. Officials have written to all three authorities in the last days of March, and in our circumstances I would not wish to give final public warnings before the authorities concerned have had a reasonable time to react to our letters.

X There may well be pressure in the House for some announcement of the position in Wales. At the moment I am inclined to think that I should answer a written PQ on the same day as you make your statement, in which I would make it clear that I do not intend to issue final warnings at this stage. If you are asked about the position in Wales you could then refer to my answer. I would ask, however, that you make arrangements to keep closely in touch with us about the timing and what you intend to say.

/ I am copying this letter to the Prime Minister, Michael Havers and the other recipients of yours.

John
Nice

The Rt Hon Michael Heseltine MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
LONDON

7 APR 1981





01-405 7641 Extn

The Rt. Hon. Michael Heseltine, MP
 Department of the Environment,
 2 Marsham Street, SW1P 3EB

ROYAL COURTS OF JUSTICE

LONDON, WC2A 2LL

2 April 1981

Dear Secretary of State

HOUSING ACT 1980 - RIGHT TO BUY ^{TPM}

Thank you for your letter of 31 March. I am most grateful to you (and to John Stanley who wrote to me earlier) for keeping me in touch with developments.

It seems clear from what you say, that the circumstances which would justify your intervention under section 23 are present in the case of the ten local authorities you mention in your letter. I am sure that the course you suggest for dealing with them is a wise one and that firm steps will have to be taken in the near future.

I note that, before taking action under section 23, you will need further legal advice. Since you are concerned with the detailed aspects of intervention, no doubt as regards particular authorities, I think it will be best if you go direct to Treasury Counsel who has already considered the use of section 23 in this context. Naturally I shall be ready to help if he or your lawyers ask for it, but I think this can be left to their judgement.

I should be interested to know which firms of solicitors would undertake the conveyancing, and how they would propose to calculate their fees in these exceptionally novel circumstances. I shall be grateful if you will arrange for your Department to let me have some information on this. While, as you know, costs are recoverable from the authorities under sections 23(9) and (10), the initial expenditure of HMG could be substantial and recovery may prove difficult in some cases.

This letter is copied to the recipients of yours.

Yours sincerely

John R Hallinson

(Approved by the Attorney General
 and signed in his absence)

APR 1981





cc Harsnip
Pdoy

10 DOWNING STREET
PRIME MINISTER

In the attached letter, Mr. Heseltine consults the Attorney about the next steps under the Right to Buy provisions of the Housing Act in relation to obstructive authorities.

Mr. Heseltine expects to send warning letters to certain authorities the week after next. He therefore proposes to make an oral statement that week. He warns that the legal procedure for enabling tenants to exercise their Right to Buy over the heads of reluctant authorities are formidable. But he argues that the Government must, if necessary, set it in motion.

Final decisions will not be taken until the Attorney has advised. You will see a draft oral statement nearer the time.

Content in principle for Mr. Heseltine to proceed as proposed?

Yes
mt
MHP

31 March 1981

cc: Mr. Sanders

pa
MHP



Housing

2 MARSHAM STREET
LONDON SW1P 3EB

My ref:

Your ref:

31 March 1981

D. Hill

I have been watching closely how local authorities are responding to applications from their tenants to buy their houses under the Right to Buy provisions of the Housing Act 1980. We have been collecting some information centrally and also had some supplied to us spontaneously. It is crystal clear that council tenants who wish to buy, as well as our supporters on Councils and in constituency associations, are increasingly becoming very concerned and angry about the lack of progress being made by a limited, though still appreciable, number of authorities. I have concluded that the time has now come when I must consider further and more serious steps to ensure that tenants in those authorities are able to exercise their rights.

As you know, section 23 of the Act provides that where it appears to me that a tenant or tenants of a particular landlord have or may have difficulty in exercising the right to buy effectively and expeditiously, I may intervene and do what is necessary or expedient to enable those tenants to exercise their right to buy. The statutory procedure entails giving notice under section 23(1) that I am intervening and that notice is deemed to have been given 72 hours after it has been sent. When the Bill was being debated, however, we gave undertakings to both Houses that we would give warning by administrative means to authorities of our intention to issue such a notice.

From my analysis of the present situation, I conclude that it will be necessary to send such warning letters to a small number of authorities and intend to do so in the week beginning 13 April. On sending these letters, I propose that I should make an oral statement to the House and I shall be consulting Francis Pym separately about the detailed arrangements for such a statement. It would name the local authorities to whom warning letters were being sent and say that I was contemplating issuing a formal notice under section 23(1) in the near future unless they demonstrated to me that the tenants in the authorities concerned would obtain the ownership of their homes, in the wording of the Act, "effectively and expeditiously." I would not specify what I had in mind by the near future but I consider that I ought to be prepared to act if I were not satisfied with the position at the end of 4 weeks.

I would, of course be very happy if warning letters resulted in very much better progress. But, if they do not, formal intervention becomes inevitable. We cannot for practical reasons proceed on too broad a front initially. I am seeking up-to-date information on which to make a final choice of the authorities which would be sent such letters: it is possible that some of those which now seem the most likely candidates may have improved their performance

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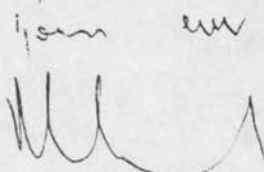
significantly by the week beginning 6 April. I envisage, however, that I would refer to 2 groups. The first would include those authorities where, nearly 6 months after the right to buy was introduced, only a handful of notices admitting the right to buy have been issued even though the Act prescribes a statutory period of 4 or 8 weeks within which this simple step must be undertaken. This group are bound to be the most likely places where we may need to intervene in the first instance. On present evidence the 3 front runners in this group are Camden, Greenwich and Lambeth. There would, however, be a second group where, though notices admitting the right to buy have been issued within the timetable laid down, little or no progress is being made within valuations prior to the issuing of a notice as required by section 10 of the Act. That notice gives the tenant information on the purchase prices and the right to a mortgage. The likely candidates for the receipt of an administrative warning because of lack of progress in moving towards this stage are Barking, Newham, Manchester, Sheffield, Wolverhampton, Stoke and Bristol.

If I intervene under the Act it is essential that my action should be secure from challenge in the courts. Before making the statement which I have in mind, we need to satisfy ourselves on a number of detailed legal aspects of intervention and officials will be putting these matters to you or to Treasury Counsel as appropriate in the next few days.

If I do decide that intervention is necessary, I propose that the detailed work to complete purchases by tenants shall be undertaken to the greatest extent possible by firms of private solicitors in the areas concerned. We must therefore be satisfied that the necessary resources have been marshalled to undertake intervention in an effective manner. Officials have already had discussions with firms of solicitors in London and though a number of details are still to be settled, the required capacity seems likely to be available to deal with the most serious haggards. By the end of next week we hope to have made satisfactory arrangements too in the provincial cities where it might be necessary to intervene.

I must make it clear to colleagues that the task of transferring satisfactory title to tenants under the statutory terms laid down in the Housing Act when faced with perhaps total non-co-operation by the authorities concerned is extremely formidable. Our consultations with leading solicitors indicate that at least in the great majority of cases, it can be done with difficulty and with the necessary time. I believe however it is imperative that the Government does, if necessary get firmly down this difficult road, and does not break faith with the thousands of tenants who voted for the right to buy and expect us to deliver it.

I am sending copies of this letter to the Prime Minister, Francis Pym, Michael Jopling, George Younger, and Nicholas Edwards.


MICHAEL HESELTINE

Rt Hon Sir Michael Havers QC MP
Attorney General

31 MAR 1981



Housing Policy



SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

~~Handwritten scribble~~

The Rt Hon William Whitelaw CH MC MP
Secretary of State for the Home Department
Home Office
50 Queen Anne's Gate
LONDON
SW1H 9AT

Prime Minister

16 January 1981

MA 16/1

ms

TENANTS' RIGHTS ETC (SCOTLAND) ACT 1980: RIGHT TO BUY

Following Michael Heseltine's letter to you of 5 December, reporting progress in implementing the right to buy in England and Wales, I think that it is appropriate that I should report to colleagues on the situation in Scotland.

In general, the picture is similar to that in England and Wales. There has been a very good response from tenants, and delaying tactics by Labour authorities and industrial disputes involving NALGO are of greater significance than outright recalcitrance. However, one authority, Dundee, has taken a well-publicised stance on its refusal to implement the relevant provisions of the Tenants' Rights Etc (Scotland) Act 1980 and I intend to proceed towards default action against them. I hope that by taking the necessary preliminary steps I will influence Dundee to abandon their position but, I am reasonably confident, having had the benefit of the Lord Advocate's views, that if action is necessary they can be brought into line without too much delay.

I am copying this letter to the Prime Minister, to members of H Committee, the Lord Advocate, the Attorney General and to Sir Robert Armstrong.

GEORGE YOUNGER

16 JAN 1981

