DEPARTMENT OF THE ENVIRONMENT



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MINISTER FOR HOUSING AND CONSTRUCTION

3 September 1980

Mike Pattison Esq PS/Prime Minister No 10 Downing Street London SW1

Prime Minister

Dear Mike,

~ 14/x 8/1x

The Minister thought that the Prime Minister might wish to see the attached press release on the new consent for the discretionary sale of council houses we have issued today as it reinforces what she said in Wales about the Government trying to help people to move for job reasons.

Yours sincerely, Hazel Parker-Brown

MRS HAZEL PARKER-BROWN Private Secretary

The Mouring

10 September 1980

Thank you for your letter of 3 September. enclosing a press release on the consent for the discretionary sale of council houses.

The Prime Minister has seen and noted this.

MA PATTISON

Mrs. Hazel Parker-Brown, Office of the Minister for Housing and Construction



Press Notice 358

3 September 1980

NEW GENERAL CONSENT FOR SALE OF COUNCIL HOUSES WILL HELP MOBILITY

A new general consent for the disposal of land and houses by local authorities in England, other than under the right to buy provisions of the Housing Act, has been issued today. It applies to discretionary sales of houses and flats by councils, for example vacant dwellings or dwellings excluded from the right to buy.

Announcing the new consent, John Stanley, Minister for Housing and Construction, said:

"The new consent will help mobility in two ways.

"First, under previous consents council tenants who purchased their house or flat at a discount were required to offer them back to the council at the original purchase price for up to 8 years after the purchase. This could represent a significant impediment to purchasers who found they needed to move for employment or other reasons during the 8 year period. Under the new consent issued today, this requirement is replaced by the discount sharing arrangements as under the right to buy provisions of the Housing Act. This means that purchasers will always be able to resell their homes at the current market value, subject to the requirement to repay the value of their discount on a sliding scale diminishing by 20 per cent a year during the first 5 years after the purchase.

"Second, that part of the consent dealing with the sale of empty houses and flats specifically covers those who have a job offer in another area but no accommodation. Under the new consent, councils will have discretion to sell empty dwellings to priority groups of purchasers at a discount of up to 30 per cent. The priority groups include anyone with a firm offer of regular employment in the area of the local authority in which the house or flat is situated or in the area of any neighbouring authority. Thus a council will have the discretion to sell a vacant dwelling to someone who wants to move into their area for employment reasons and to give them a discount. This should help to get back into use both empty, and perhaps difficult to let, local authority dwellings and also help those moving into high cost areas to overcome the variations in house prices between different parts of the country."

NOTE TO EDITORS NEW RESALE CONDITIONS Under the previous general consents, sales at a discount were subject to a five or eight year right of pre-emption by the local authority at the original purchase price. The new consent introduces discount sharing arrangements similar to the provisions in the Housing Act 1980. If a purchaser resells his home within five years he will be able to sell at current market value but the discount will have to be repaid on a sliding scale reducing from 100 per cent in the first year to 20 per cent in the fifth, and no repayment thereafter. SALES OF VACANT DWELLINGS Local authorities will be able to offer a discount up to 30 per cent on vacant houses and flats to special groups of buyers. They include those people moving to take up a new job. This should encourage greater mobility. The other priority groups will be first-time buyers, and those who have recently left armed forces accommodation, tied accommodation or accommodation in a slum clearance area. DISCOUNTS Local authorities using their discretionary powers to sell to sitting tenants will be able to count for discount purposes any period the purchaser spent as a tenant of another local authority, a New Town or a housing association. DISPOSAL OF LAND

Local authorities have also been given a general consent for the disposal of housing land.

GENERAL

This new general consent introduces terms very similar to those contained in the right to buy provisions of the Housing Act 1980 which came into force on 3 October (DOE PN No 330 of 11 August 1980). Further changes to the consent enabling it to reflect and complement the right to buy legislation more closely will be made following commencement of Part 1 of the Housing Act 1980 on 3 October.

On 7 March 1980 John Stanley referred to the eight different ways in which the Housing Act would help to achieve greater mobility. (DOE press notice no 84).

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