



2 ✓c JV
a BI

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:
Your ref:
4 February 1983

*May we have a word
I was always doubtful
about the proposal
would be better not
to print out
Prime Minister
To be aware
that the leaflet
for the mail drop
is going to be printed.*

RIGHT TO BUY

W/R 4/2

In December, Mr Heseltine sought the Prime Minister's agreement to further publicity about the right to buy, in the form of a leaflet to be delivered by direct mail drop to all local authority tenants in England informing them of their statutory rights. You may recall that you signified the Prime Minister's agreement to this proposal in your letter of 14 January to Helen Ghosh.

Plans for the printing and distribution of this leaflet are now well advanced. I enclose a proof copy of the leaflet for the Prime Minister's information. We are working to a very tight programme to deliver the leaflets at the beginning of March and so avoid any question of becoming involved in the run-up to the local elections in May. The Secretary of State for Wales has agreed that the leaflets should also be delivered in Wales.

Notwithstanding the Prime Minister's earlier clearance, my Secretary of State felt that she would wish to be aware that we have now reached the stage of going to print, in view of the recent MOD controversy. Our campaign, of course, does not involve heavy media advertising: it is a direct approach to individual tenants.

Having considered the issues, my Secretary of State believes that the campaign as planned should go ahead.

My Secretary of State has asked me to add that there is a reference in the leaflet to the importance of tenant purchasers having their homes surveyed before deciding to buy, particularly where the house is of non-traditional construction. There is to be a discussion in H Committee on Monday about newly discovered problems relating to large numbers of non-traditional constructed houses. Mr Stanley hopes to make an oral statement on Wednesday 9 February in the light of the outcome of the H discussion.

*eg
Airey
Houses*

I am copying this, without enclosure, to the Private Secretaries to the Home Secretary, the Lord President, the Chancellor of the Duchy of Lancaster, the Secretaries of State of state for Scotland and Wales, and to Sir Robert Armstrong.

D A EDMONDS
D A EDMONDS
Private Secretary

Working: King on sale of
Council horses



4 JAN 1957



COMMUNICATIONS

Want to know more?

If you want to know more about your right to buy, ask your local authority for a copy of the booklet *The Right to Buy* or fill in and return the coupon below.

This leaflet is being distributed to local authority and new town tenants, but the right to buy extends to some housing association tenants as well. If you rent from a housing association, you can fill in the coupon too.

Rights as a tenant

For as long as you remain a tenant you will also have the benefit of important new legal rights that the Government has given council, new town and housing association tenants. These rights are set out in the booklet *The Tenants Charter*.



Department of the Environment, PO Box 702, London SW20 8SZ

Please send me:

The Right to Buy booklet and right to buy claim form

The Tenants Charter booklet

Name

Address

.....

.....

Issued by the Department of the Environment and the Welsh Office.

Prepared by the Department of the Environment, the Welsh Office and the Central Office of Information, 1983.

Printed in England for Her Majesty's Stationery Office by

DD 8333543 Pro 19316

The right to buy your home



Most tenants of local councils, new towns and some housing associations now have the legal *right* to buy their homes – whether houses or flats.



Tenants who have the right to buy can get a discount of between a third and a half off the market value of their homes.



Tenants who have the right to buy also have the *right* to a mortgage, and the right to an option to buy at the same price within two years if they can't buy immediately.

This leaflet is to help tenants who are interested in buying their homes. (There is no need to read further if you have bought yours already.)

Who qualifies?

You must have been a secure tenant of a local authority, new town corporation, housing association or the Development Board for Rural Wales for at least three years. You don't have to have spent the three years all in the same place.

What will it cost to buy?

Your house will be valued by your landlord at its market value, but you will be entitled to a discount. The amount of discount depends on how long you have been a tenant.

The discount starts at 33% if you have been a tenant for three years. It goes up by 1% for each additional year as a tenant to a maximum of 50% if you have been a tenant for 20 years or more. The discount may be reduced if your home is new or has recently been improved.

What about a mortgage?

A building society, bank or other lender may be willing to provide you with a mortgage. You may want to ask them first. Their interest rates can be lower than the council's. But you have the legal *right* to a mortgage from your landlord if you wish.

If your income is large enough, the mortgage from your landlord can be up to 100% of the purchase price after discount.

Your husband or wife can buy jointly with you, and so can up to three other members of your family as long as they have been living with you for at least a year before you apply to buy. Their incomes will be taken into account in calculating how large a mortgage you are entitled to.

x/

you can't afford to buy immediately, you also have the legal *right* to take out a two-year option for a payment of £100. That means the price of your house will stay fixed for up to two years from when you apply to buy whilst you save up to buy it.

How does buying compare with renting?

This varies depending on house prices and rents in each area, but some tenants will find there is little difference between the weekly cost of buying and of renting. But as a home owner, of course, you would also be responsible for the full costs of maintaining and repairing your home.

You will need to do the comparison between renting and buying your own particular house or flat for yourself, but the figures below may be helpful. They are based on the current average purchase price *after* discount of a council house in England and Wales, which at June 1982 was approximately £10,000.

split out

Typical market value before discount	£17,000			
Discount entitlement	50% (20 yrs tenancy or more)	45% (15 yrs)	40% (10 yrs)	33% (3 yrs)
Purchase price <i>after</i> discount	£8,500	£9,350	£10,200	£11,390
Weekly payments after tax relief (assuming you get a 100% mortgage at an interest rate of 10%*)	£13.10	£14.40	£15.70	£17.55

*The building societies' interest rate was 10% in January 1983 but is of course subject to variation. The new system of mortgage tax relief beginning in April 1983 may slightly alter the weekly payments shown above.

You are recommended to get your home surveyed before you buy. This is a precaution which all tenants should take, but it is particularly important if your house is of non-traditional construction.

Mooney

FILE

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10 DOWNING STREET

From the Private Secretary

14 January 1983

Council House Sales: The Right to Buy

Thank you for your letter of 11 January to Michael Scholar. The Prime Minister considers that the precedents you quote are just sufficient defence to enable her to agree to the proposal for a new publicity campaign on the Right to Buy.

I am copying this letter to the Private Secretaries to the Home Secretary, the Lord President, the Secretaries of State for Defence, Scotland, Wales, the Chancellor of the Duchy of Lancaster and Sir Robert Armstrong.

W. F. S. RICKETT

Mrs. Helen Ghosh,
Department of the Environment.

R



Prime Minister

Do you consider these
to be sufficient
precedents to agree the
proposal at Play A?

2 MARSHAM STREET
LONDON SW1P 3EB

My ref: H/PSO/18988/82

Your ref:

Substantive.

MS

Wk
11/1

11 January 1983

Dear Michael,

Thank you for your letter of 22[✓] December to David Edmonds.

The precedents he quoted in his letter of 21[✓] December included two national distributions of literature commissioned by a Labour Government. One of these occurred during the run up to the 1975 referendum on membership of the Common Market when leaflets were delivered to 20 million homes in the UK and to 3 million business premises.

In February 1976 the same administration arranged for literature to be mailed to 500,000 retail establishments in the UK giving advice on how to counter inflation by means of price restraint.

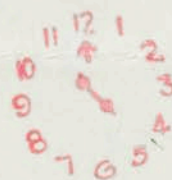
yours sincerely,
Helen Ghosh

MRS H F GHOSH
Private Secretary

Housing: Policy on Sale of Council
houses.

May 79

11 JAN 1983



Downing

file

da



10 DOWNING STREET

From the Private Secretary

22 December 1982

Council House Sales: 'The Right to Buy

Many thanks for your letter of 21 December. The Prime Minister has asked if we can supply any precedents for a direct mail drop from the time of the Labour Government.

I am sending a copy of this letter to John Gieve (Chief Secretary's Office).

mc8

David Edmonds, Esq.,
Department of the Environment.



cc J.V

①

Prime Minister
→

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

Here are the
precedents for a
direct mail drop.

My ref: H/PSO/18782/82
Your ref: 21 December 1982

Agree the proposal
or pay A?

Dear Michael

MS 21/12

COUNCIL HOUSE SALES: THE RIGHT TO BUY

John Gieve (Chief Secretary's Office) has asked me to reply to your letter of 15 December.

The Central Office of Information has undertaken a number of national door-to-door distributions of Government literature. These have ranged from mass drops of booklets and leaflets on uncontroversial subjects such as Crime Prevention and Fire (under this administration) to more sensitive political issues like Counter-Inflation and the Referendum on membership of the Common Market (under previous administrations).

Within the last 3 months there has been a closely defined circulation to local authorities and secondary schools in England on the Government's views of nuclear defence and disarmament.

However, the closest comparison to the RTB mail drop in terms of audience definition and coverage has been the door-to-door distribution of the Department's Tenants Exchange Scheme leaflet. This went to council homes and new town tenants in England last June.

I am copying this to John Gieve.

Gieve
D A Edmonds

D A EDMONDS
Private Secretary

I want a
precedent - from the
time of the Tenant's
MS

1 MARKHAM STREET
LONDON SW1P 1ST



21 DEC 1962



Housing

CONFIDENTIAL file

BPC



10 DOWNING STREET

From the Private Secretary

15 December 1982

Karl
212-4249

COUNCIL HOUSE SALES:
THE RIGHT TO BUY

The Prime Minister has seen the Chief Secretary's minute of 14 December about the proposal by the Secretary of State for the Environment, in his minute of 10 December, for a new publicity campaign on the Right to Buy.

BK

The Prime Minister has enquired what precedents there are for a direct mail drop to all local authority and new town tenants.

I am sending a copy of this letter to David Edmonds (Department of the Environment).

M. C. SCHOLAR

John Gieve, Esq.,
Chief Secretary's Office
HM Treasury

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