

PRIME MINISTER

Mr. Gow has responded very promptly to the meeting you held on defective housing. It seems clear that the figure he mentioned of 3,000 PRC houses which might have originated in the private sector was very much a stab in the dark and that the figure could be much larger, particularly if houses with other defects are brought in.

Mr. Gow is inviting you to conclude at this stage that helping private sector owners is a forlorn quest.

I could, however, write back saying you have noted that the ramifications of assisting the owners of PRC houses could spread rather wider than thought at the meeting but that before any decision is taken you would like more work to establish the magnitude of the problem. (Perhaps something Government ought to be doing anyway.)

Do you want to call it a day now or continue the investigation?

Mr. Gow wrote back before receiving my record of the meeting. This asked DOE to consider what contribution better insurance could make to this problem in the future. We should remind them of this request.

Agreed.

AT

I think more work should be done

27 January, 1984

mb



Minister for Housing and Construction

Department of the Environment
2 Marsham Street London SW1P 3EB

Telephone 01-212 7601

Our ref: G/PSO/40547/84

16 February 1984

Dear Andrew,

DEFECTIVE HOUSING

Your letter of 30 January gave the Prime Minister's reply to Mr Gow's minute to her of 25 January about the feasibility of including privately-developed defective houses within the scheme of assistance for which provision is to be made in the Defective Housing Bill.

The Prime Minister asked if the Department could report further in due course on the number of privately-built properties possibly affected, whether variants of PRC designs or those subject to other defects; and consider what role improved insurance policies (whether taken out by builders or by home owners) could play in alleviating the problem of serious defects in privately-built houses.

It will take a little time to prepare further advice on both these subjects. On the first, no further information is available within the Department. We are considering whether it is feasible to make enquiries of builders or manufacturers of PRC houses, insofar as they are still trading, without giving an impression that the Government is considering extending the scheme of assistance to privately-developed PRC houses. If we do this replies may not be received immediately. Advice on the possible role for improved insurance policies should be ready soon.

I am sending a copy of this letter to Henry Steel (Law Officer's Department).

Yours sincerely,

Paul Britton

PAUL BRITTON
Private Secretary

Private Secretary to the
Prime Minister

Tel Mr Britton has not urgent
B/F in one month

AT 17/2

Housing: Housing Act pt. 4.



file

VC

10 DOWNING STREET

From the Private Secretary

30 January 1984

Da Paul,

Defective Housing

The Prime Minister was grateful for Mr. Gow's minute of 25 January setting out the implications of extending the assistance currently offered to the owners of ex-public PRC houses to the owners of similar houses originating in the private sector. She has noted the difficulties of estimating the numbers of dwellings involved and that the total could be considerably higher than the figure of 3,000 discussed at the recent meeting. She has noted also that there are other defects in respect of which claims for assistance could be pressed.

bf | While recognising that this would make it more difficult to extend the existing scheme to the owners of private sector houses, the Prime Minister does not wish to abandon the idea at this stage. Before taking a decision, she would be grateful if your Department could investigate further the number of properties possibly affected, whether variants of PRC designs or those subject to other defects. She would be grateful for a report in due course.

bf | For the longer term, she would be grateful if your Department could consider what role improved insurance policies (whether taken out by builders or by homeowners) could play in alleviating this problem.

I am copying this letter to Henry Steel (Law Officers' Department).

Yours sincerely

Andrew Turnbull

Andrew Turnbull

Paul Britton, Esq.,
Department of the Environment.

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