

THE GREAT

SALES

ROBBERY



The case against selling council houses

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SELLING COUNCIL HOUSES MEANS:

Higher rents · longer waiting & transfer lists · increased public spending · less choice · reduced mobility · greater social division · creating council ghettos · loss of jobs in direct works

the few wealthier tenants who buy do so at the expense of ALL tenants and those waiting for a council house.

Introduction

The continued expansion and the improvement of council housing is essential. It is the only means by which all working class families will get decent housing at a reasonable cost, and based on what they want and need and not on their ability to pay.

The key advantage of council housing is that all the costs of the land, building and maintaining all the houses is shared by all the tenants. Rents of older houses more than cover their costs and this surplus is used to keep down the rents of more costly newer houses. Council housing is only paid for once and there are no private landlords extracting profits because of their control over this scarce resource.

Profit motive

This is in stark contrast to the private housing market in which housing is provided on the basis of the profit motive and allocated solely on the ability to pay. Owner-occupied houses, once built, continue to be sold at market prices in spite of the fact that their original cost will have been at least partly paid by the previous owner.

Many houses are paid for several times over. The owner who sells makes a profit at the expense of the new occupier. This keeps prices in the private market above the level that many people can afford. Such a system can never provide decent housing at reasonable cost for all working class families.

Asset stripping

There are now over 6 million council houses and flats in Britain which, despite many faults, are a major national asset. Attempts to sell off this asset are not new. The Conservatives first thought of it in the late 1920s within a few years of the start of council housebuilding. They have taken every opportunity to try to sell off as many council houses as possible whenever they have been in power - 104,000 council houses were sold off in 1972 and '73 which is more than the total number of new council houses built in Britain either in 1972, '73 or '74.

Now a new campaign is under way at a time when -

- Over HALF of the so-called 'priority areas' outside London, where new council housebuilding is being concentrated as part of the Labour Government's spending cuts, are selling existing council houses, and building for sale.



- there are over 1,100,000 families on council waiting lists in England alone
- Conservative councils control 60% of all council houses in England and Wales.

Massive cuts

What is particularly important about the current campaign is that it comes at the same time, and is part of, the massive cutback in council housing by the Labour Government:

- * Rents up an average of £2.50 a week at current prices (1976) within the next two years - that's on top of recent increases.
- * Money for repairs and improvements has been slashed - the latter by over £250m.
- * Current levels of council housebuilding have been cut from 9,000 to 6,000 starts a month.
- * Municipalisation of privately owned houses, usually tenanted properties, has been drastically curtailed.
- * Standards of council houses are being reduced in many areas.
- * New forms of tenure like equity sharing are being pushed.
- * Land earmarked for council housing is being sold off for private housing and build-for-sale schemes are being expanded.



"But what if the Smiths at No. 3 don't buy theirs? I don't fancy living next door to council tenants!"

Weighing it up, there is even less to support the myth of parasitism. The council house in which I live was built at a cost of £1,000 back in the early 1950s. After 20 years of being a council tenant I must have paid £2,800 in rent and maybe more. Unless the capitalist system is more extortionate than I think it is, that should have taken care of the interest, administration and maintenance charges. So for the next 20 years, most of what I pay in rent should go to generate more council housing. If I were conservative-minded I suppose I should be bitter and twisted about it and demand a reduction in rent. But I can't work up any excitement about it either way. It just seems to be normal to want other people to have the same decent housing that I have had.

New Statesman 17 September 1976

The campaign also coincides with a major review of housing finance by the Government (which is likely to lead to further rent increases, more sales, etc.) and a massive expansion of housing associations.

Why it is important

FIRSTLY the Tories are not alone. They are supported by the Liberals and the Scottish Nationalists - selling council houses is a key part of both their housing policies. The property lobby, the building societies and the professionals involved in the private housing market are making the same demand as part of their campaign to get 70-80% of all households into owner-occupation. The Labour Government is now allowing Tory and Labour councils to sell - and is taking an increasingly softer line on this issue.

SECONDLY the campaign to sell council houses is based on ideological reasons. Those who demand sales believe that nearly all housing should be provided by the private market and that a 'property-owning democracy' is a 'good thing'. However, the arguments for selling off are

CONSERVATIVE SALES POLICY

We wish, once and for all, to get rid of the unfair restrictions on the sale of their homes to council tenants and new town tenants. We believe they should have the statutory right to buy their homes after three years' occupancy either on a freehold basis or, in the case of flats in England and Wales, on a leasehold basis. A practical method would be to allow tenants to serve notice on the council, with access to the courts if the council refused the tenant's request to purchase or if it was obstructive. 'The Right Approach' October 1976

presented as 'sensible, practical solutions' but these are only a smokescreen to hide the real motives.

THIRDLY the sale of council houses is a diversion away from the real issues facing council housing - the need for its expansion and improvement, giving tenants security of tenure and more control over their homes and estates.

This pamphlet concentrates on the sale of existing council houses but also covers the sale of land earmarked for council housing to private builders, build-for-sale schemes (the council, or private builders under contract to the council, build houses which are then sold) and equity sharing schemes (you pay part rent and part mortgage - see box below).

All these policies amount to the same thing - the transfer of land and houses from the public into the private sector and the allocation of housing based solely on the ability to pay.

I'm alright Jack!

Some families do want to buy their council houses. They generally have to work and save hard to do so. But they are attracted to owner-occupation mainly by the faults in council housing - the lack of choice over the kind of home and location, the lack of freedom and control over the home itself, and not simply by the longer-term financial advantages owner-occupation could bring to them individually.

But these are problems which can and must be solved within council housing. This pamphlet clearly shows that tenants who buy their council houses, by adopting an attitude of self-interest, directly contribute to a worsening of the housing situation for their children (who will have to seek their own accommodation before they will inherit the house their parents own), friends and relatives and all other council tenants and those seeking and needing a council house.

What is equity sharing?

Equity sharing means that the occupier rents part of the house from the council and owns the rest (or more accurately, pays mortgage on the rest). So, for example, a two-bedroomed house costing £14,000 to build could be half rented and half owned (though it could be any share - say 25% owned, 75% rented). The occupier would pay half an ordinary council rent (say £3.50) and repayments on a mortgage of £7,000 (around £11), a total of £14.50 a week. On top of that there would be rates and repair and maintenance costs.

When the occupier moves the council buys back the share that's been paid for and sells to a new occupier. This is done at market prices - so the new occupier has to pay for any capital gain. But the government also has to pay out since the first occupier will get full tax relief on a new mortgage.

WHY COUNCIL HOUSING IS SO IMPORTANT



Civic Trust Award council housing

Sharing the costs

The system of council housing is based on two important socialist principles -

- ★ the pooling and sharing of all the costs between all the tenants, and
- ★ the building and allocation of houses and flats based on the need for accommodation.

The pooling and sharing of costs means that new council houses can continually be added to the stock and older houses improved, and the rents of these houses kept to a much lower and more equitable level than they would otherwise be, (and much lower than in the private market). While the rents of many older properties have in effect more than paid for these houses, tenants are paying for the use of their houses and for repairs, management and improvements, and helping to keep down the rents of newer houses.

Failure of private market

Experience shows over and over again that the private

market - even when it has been allowed an almost completely free hand - simply cannot provide decent houses for everyone. The cost of housing is high and profits can only be made out of providing housing for richer people. And because private housing is shared out on the basis of profit, private enterprise will only provide houses while it is profitable to do so.

Isolation of the owner occupier

Owner occupation isolates the individual and fragments working class interests. Owner occupiers do face some of the same problems as tenants - high interest rates, rising building costs, land speculation - all of which push up the cost of housing. However, the financial position of each owner varies so much that collective action is very difficult to organise. For example, there have only been two recorded mortgage strikes in this country. The opposite is true for council tenants. They have a common interest and a common landlord and this has been the basis of many working class gains in the past.

COUNCIL HOUSES AND LAND MUST NOT BE SOLD

Council houses and land earmarked for council housing must not be sold because :

1 it will mean that council housing will be pushed into a welfare role - a safety net only meant for the very poor. The continued expansion of owner occupation will mean that nearly all families will be at the mercy of the private market - a system that thrives on scarcity and provides houses for profit, not when and where they are actually needed.

2 council housing is the only system which allocates housing based on people's needs and demands, and not solely on their ability to pay. The aim should be to provide enough council housing for everyone who wants it, which will help to remove the restrictive criteria on which it is currently allocated.

3 tenants associations and federations form an important part of the struggle to get radical changes and gains for working class families. Tenants have taken action not only to get decent housing but also more community facilities, better public transport and other services as well as supporting trade unionists in their campaigns. The expansion of owner occupation means a move away from tenants organisation and their ability to take action.

4 to sell off council houses to individuals or private organisations for private profit threatens all the principles of public ownership and the struggle for a socialist society. Nearly all the attributes of owner occupation eg. greater security, more control over your own home, greater opportunity to have a house and garden, can be achieved by reforms within council housing and a sales policy is a denial of this fact.



Achievements and problems

Some council housing is amongst the best-designed and most attractive housing in the country, with open space and community facilities. Many of the council houses built in the 1920s are still very popular with tenants - proving that it pays both socially and financially to design to high standards. Set against these achievements is the fact that some council housing has been badly designed and/or cheaply built, and these have become the 'problem' estates of today. Tenants are still often treated as though they are the 'undeserving poor'.

But council housing will always be hamstrung while it has to operate alongside the private market. This is the reason

for many of its problems and inadequacies .

- Council housing has to compete for land in the highly profitable private land market.
- Money for council housing has to be borrowed on the private finance market - on average, 62p out of every £1 of rent you pay goes in interest payments to the financiers.
- There is still profit to be made from building council housing.

In addition, various governments since 1919, except for some brief periods (when it has been expanded), have reduced the role of council housing from one of providing for general needs to one which provided only for rehousing from slum clearance areas. The money to manage and repair existing council housing has also been cut back.

Law to ban council house sales demanded

The Labour Party national executive, locked last weekend in arguments over housing policy, suffered three reverses in yesterday's housing debate. Two composite motions criticizing the Government for allegedly failing to fulfil the party's housing commitments and which the NEC wanted remitted to it, were narrowly carried on a show of hands. A third resolution, which it wanted rejected, demanding legislation to prevent the sale of council houses, was heavily carried amid applause.

The Times, 30 September 1976

Shore spells out new homes deal

"But where it is clear that, in a particular locality, the public sector stock is more than adequate to deal with pressing housing needs there can be no objection to sales, provided only the terms are realistic and do not involve a loss to the public purse. The number of such localities will increase as further progress is made in eliminating housing shortages."

Newcastle Evening Chronicle
7 September 1976

Socialist housing policy needed

Clearly there is a need for a socialist housing policy. Council housing must be expanded to provide for general needs. Everyone has the right to a decent home at a reasonable rent. Council housing must be improved, both in terms of its planning and design ie. higher standards, more facilities, and its management. Much greater freedom and control for tenants is feasible and necessary within a publicly owned housing system. Many changes can be made NOW but the major changes can only be made when there is effective public control of all the banks and financial institutions and the construction and building industry together with the nationalisation of all the land (see Lie of the Land p20)

The legal situation on sales

A general consent is provided in the Housing Act 1957 (Section 104) for councils to sell or lease dwellings which have been built or acquired under the various Housing Acts. The selling price cannot be less than the total cost incurred by the council in providing the house. Discounts of up to 20% of the current vacant possession market value can be given at the discretion of the council, and this is usually tied to the length of time the tenant has lived in the house. Larger discounts of up to 30% can be given but require the permission of the Secretary of State for the Environment.

If a discount is given, then the tenant cannot sell the house within a 5 year period without first offering it to the council. The selling price within this period must be the same as the council sold it for, allowing for any improvements or depreciation.

Despite the general consent under Section 104, various governments have issued Circulars which set out their policy on sales. The last was Circular 70/74 which stated that where there was a need for rented dwellings it was "generally wrong for local authorities to sell council houses". Despite this, the Labour government has made no attempt to revoke the general consent given in Circular 54/70 issued by the previous Conservative government.

WHY ALL SALES MUST BE STOPPED

Having explained the ideological and political reasons why council houses must not be sold we now want to examine the practical effects of sales. Those who advocate sales generally put forward practical reasons such as reducing public spending, or improving 'social balance', and often state that sales don't have any adverse effect on rents, waiting and transfer lists etc.

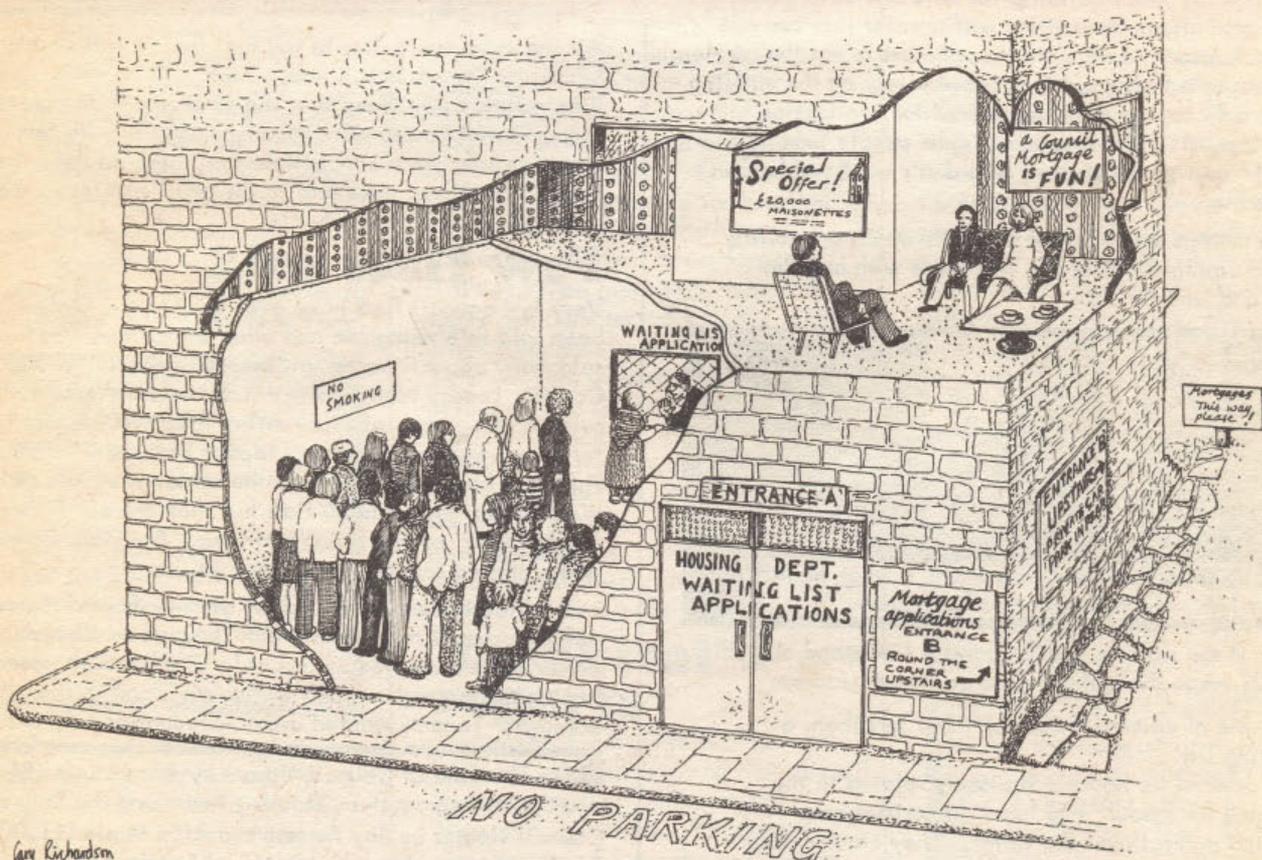
In this section we examine all these issues and show that the sale of council houses and land WILL have an adverse effect on ALL these issues and will benefit only a few wealthier tenants. All remaining tenants and all those seeking a council house will have to wait longer and pay more for less choice and worse conditions.

LONGER WAITING AND TRANSFER LISTS

Those who advocate selling always claim that waiting and transfer lists and rehousing from clearance areas won't be affected because those who buy are sitting tenants and their houses wouldn't be available for re-letting anyway. However there are 3 reasons why sales will mean longer waiting and transfer lists:

1 Evidence from Birmingham shows that on average 4% of owners of 'council' houses sell their homes each year once the 5 year resale restriction ends. In other words the house is sold on the private market and it is lost from the council's stock of houses available for renting.

So the council loses a large number of vacancies each year



and over a period of 25 years the vacancy loss will equal the number of properties sold. In Birmingham this means that because the council sold 10,000 council houses between 1966-72 then over a 25 year period 10,000 households seeking to rent from the local authority will be unable to do so.*

Even if a council is building new council houses for rent the sale of council houses means that the council has less accommodation than it would otherwise have. Consequently people living in clearance areas, individual unfit houses and those on the waiting list may well have to **WAIT LONGER**. Homeless families will have even less chance of getting a council house.

Less choice

2 Since it is the better council houses which are sold, then -

- ★ families with children in high rise flats
- ★ families who are overcrowded
- ★ those who need rehousing into houses for medical reasons
- ★ the elderly wanting to move from high rise flats
- ★ those who prefer houses to flats

will have to **WAIT LONGER** on the transfer list because there will be fewer houses and more restricted choice of the kind of accommodation, its condition and location.

Councils often try to limit the number of houses sold in any one area, eg Leicester allows up to 50% in 8 geographical areas of the city, in an attempt to limit the adverse effects on the waiting and transfer lists. However this is a meaningless sop because it is highly unlikely that the council could sell half of all its houses and in any case each sale adversely affects the waiting and transfer lists.

Ability to pay

3 Selling off land, building-for-sale and equity sharing schemes also affect the waiting and transfer lists because the criterion used to allocate these houses is not the need for a home or a transfer, but is based solely on the ability to pay - a factor not even considered for application to the waiting list. This means that some people jump the queue at the expense of those who don't want and/or can't afford to buy.

To make matters worse, those councils which are selling off and building-for-sale are also those with massive waiting and transfer lists.



Glasgow's Red Road flats - this is what would be left after selling the better houses.

But even if the waiting and/or transfer lists stand at 0 this does **NOT** mean that sales should go ahead because:

- 1 The sale of council houses by itself lengthens a waiting list
- 2 The demand for housing is closely related to the demand for labour, and local authorities have very limited control over the latter. They cannot accurately predict what the waiting list and employment situation will be in, say, 5, 10, or 15 years time:



Coventry Council confidently predicted in June 1972 that the waiting list would fall to 3750 by 1976. In fact, it has increased to 6,300.

- 3 Waiting lists are only one criterion - there are many other important factors to consider, and these support the case against sales.
- 4 It is generally accepted that waiting lists underestimate the demand for council housing since many families never put their names onto the list because they feel that they have no chance of getting a house.

CREATES COUNCIL GHETTOS

All the evidence points to the fact that it will be the better quality council houses which will be sold. The Birmingham study shows that the estates with the greatest proportion of houses were the more popular with tenants and that sales were concentrated on these estates. Few council dwellings were sold in the major estates in the inner wards between 1966-71.

Few flats sold

Very few council flats have ever been sold. Only 4 have been sold in Birmingham and other authorities who have sold many council houses in the past - Bristol, Liverpool, Cardiff, Leeds, Nottingham - have never offered flats for sale, both because of legal difficulties over responsibility for common areas, structural repairs etc when individual flats in a block are sold, and the anticipated low demand. Westminster have sold 35 flats but they are all on two 'Higher Rent' estates. Currently very few flats are even being offered for sale let alone sold.

In Southwark a survey on equity sharing showed that while 62% of council tenants said that they would theoretically prefer to be owner-occupiers only 13% were interested in buying any council properties (mainly flats) in the Borough. Tenants wanted owner-occupation because they

★ See *The Sale of Council Houses* by Alan Murie (£4.00) and *Social Segregation, Housing Need and the Sale of Council Houses* by Ray Forrest and Alan Murie (£1.00) both from Centre for Urban and Regional Studies, Univ. of Birmingham, P.O. Box 363, Birmingham B15 2TT.

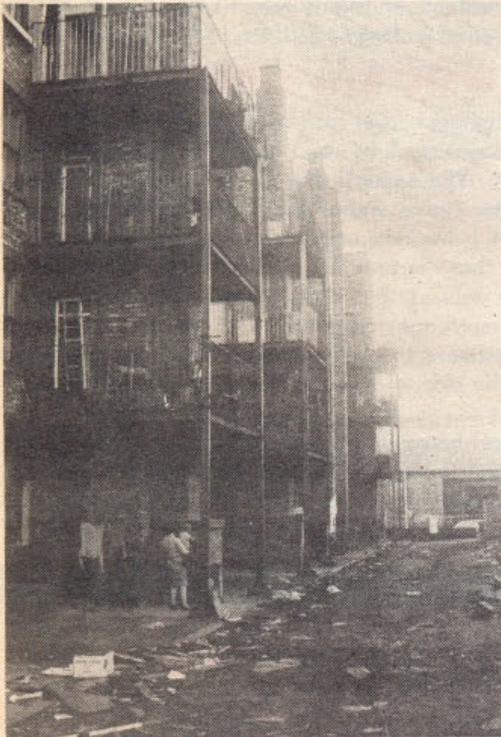
identified owning a home with having a house with a garden.

The repair costs of flats are generally higher than for houses and since only the council houses in best condition will be sold, the sale of council houses will result in the need for rent increases or higher subsidies to pay the higher repair costs per dwelling. This will help the opponents of council housing to return to the attack in a few years time and point to the increased subsidies and the bad conditions of council housing and call for even more cutbacks and the expansion of private housing.

Worst estates left

The worst estates will be left which will mean that council housing would increasingly become 'housing for the poor' concentrated in blocks of flats but kept to certain minimum standards in order to reduce the risk of militant action by tenants and workers.

Instead the opportunity should be taken to improve council housing and provide everyone with the type of accommodation they need and demand.



HIGHER RENTS

As we explained on page 3, council rents are based on the principle of pooling and sharing all the costs. Since the rents of older houses more than cover their costs and this surplus is used to keep down the rents of more costly newer houses, then the sale of these older houses must affect the pooling system and may well cause rents to rise.

However, it is not that simple, because housing finance is a complex minefield. But it is clear that the large scale sale of council houses has been started again without any realistic assessment of the financial impact on council housing and public expenditure - further proof - if any is

needed - that sales are promoted for political and not practical reasons.

Each local authority has a Housing Revenue Account (HRA) into which rent money, Government subsidies and contributions from the rates is paid. Loans and interest charges, together with repair and management costs, are paid out of the HRA.

Can't ignore facts

Before looking at the effect of sales on rents a number of facts must be stated:

- * It is the older houses which are sold. 45% of all sales since 1960 have been of houses built before 1939.
- * The vast majority of those buying require a council mortgage. For example, the Greater London Council found that in 15,000 out of 16,000 sales between 1967 and 1974 council mortgages were required and the money they received from cash sales and deposits amounted to only 10% of the total sale price.
- * In any case, the Building Societies could only give a limited number of mortgages, (assuming they change their attitude to giving mortgages to council tenants or on council houses) because to do otherwise would mean a large cutback in mortgages to the private sector which would have a severe impact on private housebuilding. The Building Societies Association and the building lobby are unlikely to allow that to happen!

(Between 1965-75 building societies lent to an additional 158,000 families each year. To sell say half of the 6.4 million council houses in Britain would take over 20 years via building society mortgages and there would be NO new mortgages for those wanting to buy new privately built houses).

- * The vast majority of councils don't stop building new council houses (leaving aside the present cuts) when they start selling off existing council houses. Therefore the effect of adding more costly new houses to the HRA must be taken into consideration.

Losses and gains

When a council house is sold and the tenant manages to get a building society mortgage then the council receives the market value (less any discounts) of the house in a lump sum. The 'tenant' then repays the building society. When a council mortgage is given to the tenant there is only a paper transaction between the HRA and the separate housing loans account. The council doesn't have to borrow any money to finance the mortgage as it has already borrowed money to pay for the building of the house.



When a council house is sold with a council mortgage the council gains the mortgage interest which is paid into the HRA and is no longer responsible for management and maintenance costs on the house. However, they lose the rent money which is no longer paid, the Government subsidy on the house, and have to pay the administrative costs of giving a mortgage and the sales campaigns.



New council houses for sale in the first phase of the Pill redevelopment area in Newport.
Price - £16,000 - £18,000 and no discounts!

Some councils, eg Southampton, Leicester, have produced figures to show that they gain more than they lose and this has been used as part of the sales propaganda. The fact is that some will show a gain in the short term but most won't.

Long term effects

However the most important disadvantage is the longer-term effect and the impact on rent pooling. Houses built up to about 1955-60 produce a 'surplus' of about £1 a week and this is used to offset the much larger 'deficit' on new houses. But this surplus is lost when these older houses are sold off and the total housing costs are increased when more costly new houses requiring a larger deficit are added to the HRA. Subsidies will be larger than for the older houses but these will offset only part of the extra costs.

Rents will rise

In most cases the costs of selling council houses, combined with the need for more costly new houses, will be much greater than any surplus the council may get from sales. This will mean that the council will have to increase rents for all tenants or the contribution from the rates (which council tenants also pay) or both.

INCREASES PUBLIC SPENDING

The sale of council houses affects both council and government spending.

More tax relief

Government spending will increase because the amount of public money going in tax relief on mortgage interest will increase. (This has already soared 300% in the last five years to £1050 m. in 1975/76 and has risen faster than subsidies on council housing - up 233% in the same period).

When a council house is sold the Government stops paying subsidy on the house to the council. However all owner-

occupiers get tax relief on the mortgage interest and this is usually much larger than the subsidy, eg selling a pre-war council house in Leicester would save £30 in subsidy but tax relief would be £212 in the first year (it later reduces) on a £5,500 mortgage with 11% interest rate. Newer houses have large subsidies but their market value is also higher which means a larger mortgage and increased tax relief.

This tax relief would also be renewed and increased every time the house was sold while the subsidy to the local authority on that house would cease once the loan was paid off. In the long term therefore, selling council houses means an increase in Government subsidies to housing without increasing the stock of dwellings.

Borrow more money

The council will have to borrow more money if it replaces those houses which have been sold. Even if pre-war houses are sold for £5,000 - 6,000 this is less than half the cost of a new council house. As explained earlier, if there is any benefit to the HRA in the longer-term resulting from sales then this is very likely to be minimal in terms of contributing to building new houses.

...but no more houses

In Birmingham houses sold seven years ago for £2,000 were being bought back by the council in 1974 for up to £10,000. The council may be able to resell the house for this higher figure and as explained earlier in the private market it is the new occupier who has to meet the cost of the fact that the previous owner has pocketed the rise in property values. But if the council resell the house with a council mortgage, government tax relief will rise without any investment in new housing. The council will have to borrow the money from the money market to finance the mortgage so that the person selling the house can be paid. So council borrowing would increase without any new homes having been built. The same thing happens whenever an owner of a 'council' house sells and the new purchaser requires a council mortgage.

LESS MOBILITY

Council housing is constantly attacked on the grounds that it restricts tenants' ability to move from place to place. This 'concern' is not an expression of consideration for the needs of individual families but with the 'need' to have a mobile labour force to respond to the needs of capitalists, i.e. move people to jobs rather than jobs to people.

Extra restrictions

Evidence from the West Midlands shows that mobility amongst established households who are owner occupiers and council tenants is about the same - between 4% and 5% move each year. However, those buying council houses at discount prices are much less likely to move in the first 5 years because of the resale restrictions. Furthermore, equity-sharing schemes are likely to restrict mobility rather than increase it. With a partial share in the property, tenants may be stuck with an asset which they cannot sell, or cannot get a price which will permit them

to buy elsewhere. They will also not be able to use the council's transfer scheme.

Greater mobility for council tenants can only be achieved by providing more and better council houses and improving the transfer scheme so that tenants have a greater choice when they wish to move. Selling off council houses can only DECREASE mobility and choice for tenants.

GREATER SOCIAL DIVISION

The idea of achieving a 'better social mix' is increasingly used to justify the sale of council houses. Freeson, Minister of Housing, has talked of achieving "a better housing balance". New Town Development Corporations are concerned about it and most planning reports mention it as a 'problem'. A number of points need to be made:



WE'VE STOPPED BUILDING THESE TOWER BLOCKS NOW BECAUSE WE HAVE FOUND THESE TWO + THREE STOREY HOUSES TO BE MUCH MORE POTENTIALLY MARKETABLE

There is no magic proportion of tenants and owners with different jobs, incomes and backgrounds which forms the right 'social mix'. It's nearly always used to get more middle class people into generally working class areas - rarely if ever the other way round.

The Tories talk about 'social balance' when owner occupiers are involved, yet when the same people are council tenants in the same houses with the same income, they are "featherbedded state scroungers".

In many areas, e.g. Newcastle, Nottingham, councils are trying hard to sell tenants those houses in private housing areas which councils acquired on an individual basis or whole estates bought to bale out private builders. It seems that it's perfectly alright to have owner occupiers in the middle of council estates but not alright to have council tenants amongst owner occupiers.

Council housing has tenants with a wide range of jobs, income, etc., and that's the way it should be. By offering some tenants the chance to be owner occupiers does

nothing for 'social balance' - it only changes the tenure of the house. Far from achieving 'balance', the sale of council houses will lead in the longer term to greater division because the better houses and estates will be creamed-off, leaving councils with the rest concentrated in inner areas.

'Social balance' is often used as a smokescreen in declining areas to cover up the fact that people leave these areas because of the lack of jobs, poor services and facilities, etc, not because they cannot buy a house. (Private builders naturally agree with such arguments because they provide 'evidence' for the need for more private housing.)

It's quite clear that when the 'social balance' argument is used it only shows that the advocates of sales are desperately seeking justification for such policies - and showing the hypocrisy of their position.

LOSS OF JOBS IN DIRECT WORKS

Every time an existing council house is sold it means one house less for the Direct Works Dept. to repair and maintain because this work is then done by private builders and in some cases by the owners themselves. Every time land earmarked for council housing is sold to private builders and councils start build-for-sale schemes (only a few are constructed by the council) it means less work for the Direct Works Dept. - fewer houses to build and to repair and maintain.

Jobs already threatened

All this could lead to large-scale redundancies in Direct Works Dept. Redundancies have already been threatened in Knowsley (Liverpool) and South Tyneside because of the cuts in council housebuilding and money for improvement and repairs.

Direct Works Depts. are also under attack from the building lobby who want to create maximum opportunities for private builders and confine direct works entirely to the 'unprofitable' work. However Direct Works Depts. offer the chance to solve some of the problems of council house construction and it is in the interests of both tenants and workers that they are EXPANDED.

CONTROL WITHIN COUNCIL HOUSING

This is one of the key issues on which the Tory sales propaganda is based. A 10-minute Tory Party political TV broadcast immediately after the elections in May 1976

was devoted entirely to council house sales. It concentrated on several families who had bought their houses (all incidentally, older council houses) and had knocked down walls, added an extension, built-in eye level electric cookers, and so on.

Greater freedom NOW

Having greater freedom to make these kinds of changes is an issue with many tenants. But this can be achieved within council housing - and not just in terms of more control over the individual home but also the surrounding area, eg. facilities on estates, quality of the environment, etc.

Councils can decide NOW to give tenants -

- ▶ Security of tenure
- ▶ Freedom to carry out alterations and improvements to their homes with very few restrictions
- ▶ More control (and better allowances) for both internal and external decoration of their homes
- ▶ Greater freedom to carry out some minor repairs and maintenance based on a system of rent rebates. (Direct Works Depts. should be able to concentrate on expanding and improving council housing and carrying out major repairs and maintenance).
- ▶ More responsibility for their homes by getting rid of all the petty rules and restrictions.

Obviously not all tenants will want or be able to do their own decorating and repairs. Nor will all tenants want to make any alterations to their homes. The important thing is that tenants can if they want to, and have the same control over their homes as owner-occupiers enjoy. Tenants pay for repairs and maintenance in their rent and any shift in responsibility must not be a means for the council to off-load costs onto tenants.

So a council house or flat can be your HOME without having to buy it.

SELLING COUNCIL HOUSES MEANS

- * higher rents
- * longer waiting & transfer lists
- * increased public spending
- * less choice
- * reduced mobility
- * greater social division
- * creating council ghettos
- * loss of jobs in direct works

A FEW RICHER TENANTS BENEFIT

For the vast majority of families buying means a large increase in spending for a home. Very few owners of 'council' houses pay less in mortgage payments than their tenant neighbours and only do so if they bought their house several years ago for a very low price. In Birmingham in a survey of 193 families who bought their council houses 14% more than doubled their spending on housing: for 35% it had increased by more than half and it had decreased for only 3%. This excluded repair and maintenance costs and the cost of insuring the house. Not surprisingly, the same survey found that it was tenants with higher-than-average household income who bought their council houses.

Only a small proportion of tenants can get mortgages taking into account such factors as age and income.

● Two thirds of all those with mortgages are under 35 and 9 out of 10 owner occupiers with mortgages are under 45. In contrast, 66% of all council tenants are aged 45 or more.

● Council tenants have relatively low incomes. The 1973 Family Expenditure Survey showed that the median income of a council tenant was only 64% of the median income of owner occupiers purchasing properties with mortgages in that year. And this difference is increasing.

Financial burden

It has been estimated that even with 20-30% discounts on the sale price only one in five council tenants could at present afford to buy the houses they live in, and it is likely that fewer will be able to buy in the future. An even smaller proportion of those on the waiting list, who are mostly private tenants, could afford to buy because, as the 1973 Family Expenditure Survey showed, they are poorer than council tenants.

Even those who have bought their council houses in the past often find the financial burden too much - many councils are experiencing an increase in mortgage defaulting.

So the more affluent tenants benefit at the expense of all remaining and prospective tenants who have to endure the burden of higher rents, longer waiting and transfer lists, less choice, etc.

Give them away!

It has been suggested that selling council houses with large discounts or giving them away to tenants would help to redistribute wealth 'and break the cycle of poverty'. Firstly, any redistribution of wealth must come from a fundamental redistribution of earned and unearned income. Secondly, poorer tenants tend to live on the poorer estates so to give or sell them their house or flat does not achieve equality in any way. Thirdly, ownership carries with it financial liability for repairs and maintenance and many tenants could not afford this - we would be creating future slums. Fourthly, the same people never suggest that the 3 million private tenants be given or sold at knock-down prices the houses and flats they live in - it seems it's alright to dispossess the council but not the private landlord!

WHO'S DEMANDING the sale of council houses

DAILY EXPRESS
Weather: Cloudy, some showers
Monday May 17 1976

HOME RULE FOR COUNCIL TENANTS

Tenants flock to join the buying queue as Callaghan gives his go-ahead today

THE GREAT HOMES RUMOUR

Property as answer to circle of poverty

By John Warden, Alan Cochrane
HOME RULE has gone to the heads of Britain's council tenants as they rush to buy their houses. And the stampede when the Government's policy (turnabout—revealed in Friday's Daily Express—is confirmed in the Commons.
Premier James Callaghan, snail to the Premier of Left-wingers, is acting today after the debate on sales tomorrow.
But many tenants have not waited for the debate on sales tomorrow. Thousands have already taken the plunge to buy—especially in areas where the choice is between council houses and private property—the city that has prospered and prospered—where the city has prospered and prospered—where the city has prospered and prospered.

THE GUARDIAN Thursday May 13
House sales mocked by Thatcher
By MICHAEL WHITE, Political Staff

Mrs Thatcher yesterday gave the Government "a severe rebuke" for its "policy of selling off council houses" in a speech in the House of Commons.
The Opposition leader said she was "astonished" that the Government should be "selling off council houses" in a "policy of selling off council houses" in a "policy of selling off council houses".
She said she was "astonished" that the Government should be "selling off council houses" in a "policy of selling off council houses".

Council tenants 'must be able to buy'

Council to sell building land
By John Thorpe, EP Municipal Reporter

Ban lifted on new towns' sale of homes
By JUDY HILMAN, Planning Correspondent

Daily Mail Exclusive
MPs give Maggie a vote-winning plan to sell half-price council houses to veteran tenants

TORIES WOO HOME-BUYERS
By ANTHONY BEVINS, Political Correspondent
NEW Tory housing policy includes the sale of council houses for half price to long-tenants.

It's clear that it's not just the Tories who want to sell off council houses. The building lobby (composed of organisations like the National Federation of Building Trades Employers, the House Builders Federation and the Federation of Master Builders which represent the interests of building firms and contractors), the building societies and many of the professional groups involved in housing have all made the same demand. They

"If council houses are not sold, the inevitable result will be higher prices in the owner occupied sector..."
claimed the Building Societies Association in evidence to the Government's Housing Finance Review, March 1976.

believe that nearly all housing can and should be provided through the market system and the profit motive. Pushing for the sale of council land and council houses is only part of their campaign to try to achieve this.

More demands

Within local government itself the demand for the sale of council houses has been made by the Association of District Councils (which represents all District Councils - they are the ones responsible for housing) and by the Chartered Institute of Public Finance and Accountancy (CIPFA) which represents council Treasurers and Directors of Finance. CIPFA plays a key role in local authority finance - it runs a loans bureau which helps councils get loans from the money market - and has itself produced evidence for the Government's Housing Finance Review which calls for the expansion of equity sharing and rent increases and claimed that "there is no reason why housing should not be treated the same as other commodities"

'Technical' reports

Treasurers, together with other council officers, often recommend that council houses be sold off in reports to Housing Committees. For example, the Director of Planning in Glasgow recommended this together with

selling off council owned land to private builders in a report to the council following the publication of the Strathclyde Regional Plan which highlighted the drift of people out of Glasgow (see p.16). In Nottingham, the Chief Executive and Management Team produced a report, requested by the new Tory council, which was entirely uncritical of selling off, equity sharing and a new savings scheme for prospective purchasers being devised by the City Treasurer. The Deputy City Treasurer was a member of the CIPFA Working Party which produced their evidence for the Housing Finance Review.

"Tenants should be encouraged to purchase a stake in the freehold of their property."
stated the Association of District Councils in evidence to the Government's Housing Finance Review, Nov. 1975.

'Professional' interests

Other professional groups like estate agents, solicitors, surveyors and valuers are also pressing for council houses to be sold - either through membership of their respective professional organisations or through their influence in local politics - they are often also councillors, members of business and social organisations like the Chamber of Commerce, Rotary Club, Masonic Lodge, etc.

The Times editorial of 18 May 1976 declares "There is scope for extensive sales... There is scope for a somewhat greater discount."

Guardian financial columnist on 14 August 1976 suggests that tenants should be able to sell their rent books at auctions run by the council!

'Free' press

The national and local press play a key role and most papers not only agree with the sale of council houses but run 'campaigns' to encourage it. For example while Glasgow Council was debating whether to sell or not, the Daily Record, Glasgow Herald and other papers were carrying editorials calling on the council to sell, and gave the issue wide coverage in the news pages. In addition to political motives, newspapers, particularly the provincial ones, have a vested interest in pushing owner occupation because of the money they make advertising house sales.

Well organised

All these lobbies and organisations have large numbers of staff and resources and all try to ensure that local and central government policies are in the interests of their members. (See the Investigation of the Housing Lobby in Community Action Nos. 26, 27 and 28.) They also push out a lot of propaganda to try to convince the public about the so-called merits of the private housing market.

They do this by:

- Meeting regularly with government ministers and civil servants (the House Builders Federation alone had 8 meetings last year with Freeson, Crosland and Silkin) and constantly lobby MPs and councillors.
- Submitting evidence to working

parties and special committees, e.g. the Housing Finance Review, set up by the government, and which are themselves composed of the same kinds of people. The evidence also gets wide coverage in the press.

- Political parties and their sub-groups, eg. the Tory Bow and Reform groups, producing pamphlets, as does the Conservative Party Central Office, which call for a massive expansion of owner occupation - and get wide coverage in the media.

- Using and widely quoting public opinion surveys - 'owner occupation is the peoples' preference' - but they are carried out or promoted by organisations wanting to expand owner occupation, e.g. Institute of Economic Affairs, Housing Research Foundation. The questions asked are always very general and often misleading because they never put forward the alternative of improving and expanding council housing.

Motives behind these demands

All of the organisations and groups mentioned above believe that selling council houses will achieve one or more of the following:

• More votes

The Tories, Liberals and Scottish Nationalists believe that a sales policy will bring them more votes in local and general elections. The Labour Party has never been against sales in principle but has always placed priority on providing accommodation to rent. However since the early 1960s the Party has increasingly supported the continued expansion of owner occupation. Also there is the increasingly middle class (most of whom are owner occupiers) make-up of the Party. While many in the Labour Party have always and still strongly oppose the sale of council houses, the present leadership seem to think that if they don't allow some sales then the Tories will win more votes.

• More profit

Landowners, builders and property companies want less council and more private housing because they can make larger profits out of private housing (except when there is a slump in demand and they then concentrate on local authority housing contracts). Selling council houses and land also means less work (new building & repairs) for Direct Works Depts. and more for private builders. Selling council houses also means that land is returned to

the private market and means that builders and developers can eventually get access to land for redevelopment that would otherwise be denied them. Estate agents, solicitors, surveyors and valuers all want to expand owner occupation as much as possible and to increase the rate at which people buy and sell houses, in order to expand their business and increase profits. They cannot profit out of council housing.

Banks, finance houses and other financial institutions want more owner occupation because this will result in more home loans, increased home insurance, and, they believe, in more loans for home improvement, including equipment, etc. Also ownership of a house means more financial 'security' therefore more borrowing - more profits.

• More power

Organisations like the Building Societies Association and companies like banks, builders, etc, are also concerned to expand owner occupation so that they may become more powerful and have more influence with central and local government, the City and the rest of industry. They want to ensure that policies and legislation are in their interests.

• More political control

In the longer term, the Tories hope that the sale of council houses will enable them to continue down the road to their 'property-owning democracy', it fulfills their political beliefs and satisfies the interests they represent. More importantly, it means that more families have a financial stake in the capitalist system. "The point where more than half the houses in the country had become owner occupied was a significant milestone because even a small stake in the country does affect political attitudes. The greater the proportion of owner occupation, the less likely were extreme measures to prevail."

Norman Griggs, Secretary General of the Building Societies Association, May 1976.

• More savings in public spending

The same political parties, companies, organisations, newspapers, etc, believe that council house sales will contribute, along with cuts in other services and building projects, to meeting their demands for a massive reduction in public spending.

SALES CAMPAIGNS around Britain

196,166 Council and New Town houses were sold in England and Wales between 1960-75 (includes nearly 23,000 built for sale)
20 of the major Tory controlled housing authorities with a total of over **700,000** council dwellings have started selling

Many tenants and workers may feel that because their particular local authority is not selling off, there is nothing to worry about. But this pamphlet shows that it is an issue of national importance. Furthermore some of those councils which are against selling existing council houses do in fact have build for sale and/or equity sharing schemes eg. Labour controlled Sheffield and South Tyneside.

The sale of council houses is a key part of Tory housing policy and if re-elected they intend to increase the discounts up to 50% and give cash grants to help people to buy. They also intend to give tenants the legal right to buy which will enable tenants to go to court to force the council to sell if necessary.

We now want to look at what is happening in some of the areas where sales campaigns are under way.

BIRMINGHAM

Leading again!

The 'pioneer' of council houses sales in recent years (they sold 11,622 between 1967 and 1973) has started a new campaign since the Tories took over in May 1976. It is also 'pioneering' equity sharing. Not content with that, the Council is selling 400 acres of land by auction and private treaty for private housing. "'A shot in the arm', said the Federation of Master Builders, which would help clear the bottlenecks of demand caused by builders being reticent about using up their land stocks until the long term situation became clearer." (Birmingham Mail)

"Our emphasis will be on council houses for the handicapped and aged" stated the leader of Birmingham City Council. As well as selling council houses the council is also selling all the pre-1919 houses which it acquired for redevelopment, road works and other schemes which are no longer 'required'.

Estate agents busy

The basis for arriving at a selling price for all the council's houses has been agreed with a panel of local estate agents! The estate agents also carry out the valuations of the houses tenants want to buy which are then agreed with the Housing Department. The agents then negotiate with the tenants, arrange mortgages, etc, and are paid 1% of the selling price by the council.

NOTTINGHAM

45,000 for sale

The Tory Council is offering all 45,000 council houses for sale. Flats, maisonettes, elderly persons dwellings and dwelling in clearance areas are not for sale. Both sitting tenants and new tenants allocated a house can buy. Discounts are 20% for tenants who have lived in their house for 10 years. 100% council mortgages are being offered.

The Council is running a major sales campaign - it took a large 'Homes For Sale' ad in the Nottingham Post and is using its own newspaper, The Arrow, to sell the scheme. Both papers have carried feature articles on how buying council houses changed the lives of the Bramwell Parrotts of Cinderhill and Bill and Doreen of Wollaton Vale. Despite all the propaganda, 430 applications have been received so far - but without the applicants knowing the price of the houses!

A BONUS FOR TENANTS WHO BUY OWN HOMES

AMAZING what some people think of a council house! And more and more tenants in Nottingham are taking up the chance to buy their own home since the Council's launch of their new 'sales' scheme. In fact, the Council office recently received applications from all over the county for the order more. Mrs DAVID LOWE examines the scheme and finds a few of its success stories.

BRAMWELL PARROTT leans back in his white leather lounge chair as he reads the paper. Five years ago he began buying council houses in Cinderhill. Today, the value has more than doubled. When Mr Parrott, a 60-year-old, used his wife May's outside capital, guests are entertained in their home.

HOUSES FOR SALE
Council houses are now for sale to their tenants. Discounted prices can be 15% below market value - 20% for those who have been council house tenants for more than 10 years.

TWO NEW SCHEMES FROM THE CITY COUNCIL
SALES TO SITTING TENANTS
In most cases purchase prices can be 15% below market value - 20% below if you have been council house tenants for more than 10 years.

300 HOUSES FOR SALE
Available to Council tenants, people on the waiting list, and people living in declared clearance areas.

NEW DEVELOPMENTS
METHWICK, Green Village: From £11,000

HOMEWOOD-GARDING (near Woodhouse) From £9,000

OTHER PROPERTIES

CAMPBELL, The Wavy: From £5,200

The Council have recently estimated the price of a 3-bed house built 20 years ago to be about £7,000 before discounts. New houses on private estates bought from private builders are up for sale at up to £11,500 (no discounts available) and are being offered to families from clearance areas, all those on the waiting list and all existing council tenants. In July, 30 tenants who had been offered tenancies of some of these houses had them suddenly withdrawn by the council, which had decided they were up for sale.

'Encouraging' sales

Not content with selling existing council houses, the Tories have also:-

- increased rents an average of 86p from October 1976, but for tenants in houses bought from private builders rents went up £1.75 - a clear attempt to get these estates back into the private sector by 'encouraging' tenants to buy by forcing up rents.
- cut £250,000 from the housing repairs budget.
- cut £1.1 million from the budget for acquiring land for housing.
- begun building 300 houses for sale.

On top of all that the council is considering starting an equity sharing scheme and a mortgage deposit savings scheme.

LIVERPOOL Unholy alliance

Despite a Labour majority of one on the Housing Committee (they are the largest party but have no overall majority), a massive build-for-sale scheme is being pushed through by an alliance of Liberals and Tories in full council meetings.

One site of 195 houses is under construction (already well behind schedule) and another 7 sites including clearance areas will be handed over to private builders who will design, construct and market the houses which are not to Parker Morris standards. Housing for rent will only be built if it is 'imperative'.

Land hoarders

The first build-for-sale scheme cost the council £1.5m to buy and clear the site - then it was sold to Wimpey's for £200,000 - so much for the Liberals claim of "small private estates built at no cost to either rent or rate-payers". The council have also promised to buy any house on the site which is not sold within a month of being completed and advertised. Only 130 people have applied so far and only one was from a clearance area.

While the council is releasing land for private housing the builders and developers have a landbank of 616 acres of land with planning permission for housing. They are refusing to release it for development because land values have fallen below what they were when the land was acquired.

NEWCASTLE A special waiting list

Labour-controlled Newcastle is selling 1,360 dwellings which the council acquired from private builders - "most of these estates are in relatively attractive locations and

might therefore be considered saleable". Costs will vary between £7,000 and £12,000 - a 100% council mortgage will mean monthly repayments of up to £122.

The council is also selling 150 houses which are scattered throughout the city, mainly in areas of private housing. It's been a policy for some time to sell houses in HAAs, GIAs and other improvement areas on condition that the property is improved within 2 years.

The council is organising sales publicity - letters to all those in "potentially marketable" houses, ads in the local press, posters in all rent offices ... and a special waiting list of potential house purchasers who will be offered all vacant dwellings for sale.

South Tyneside (Labour) has started an equity sharing scheme (25% mortgages, 75% rent) with 83 houses as a "pilot scheme".

GLASGOW Facts out of a hat

Despite a waiting list of 30,000 and a transfer list of 40,000 Glasgow Council is seriously considering selling its council houses, at least those in the 'No.1 amenity areas'. The decision to sell was temporarily halted as a result of pressure from the Trades Council and tenants groups. However the council has concocted a survey of 4,000 ratepayers ie. owner occupiers, landlords etc as well as tenants who will be asked if they agree to selling council houses.

The £15,000 survey is also asking people whether the council should build-for-sale and also sell its land to private builders. Predictably the survey makes no attempt whatsoever to ask about people's preferences based on improving council housing and giving tenants more control over their homes. Emphasis is placed on the lack of housing to buy as the reason why 26,000 people leave the city each year. Unemployment, poor services and facilities aren't even mentioned.

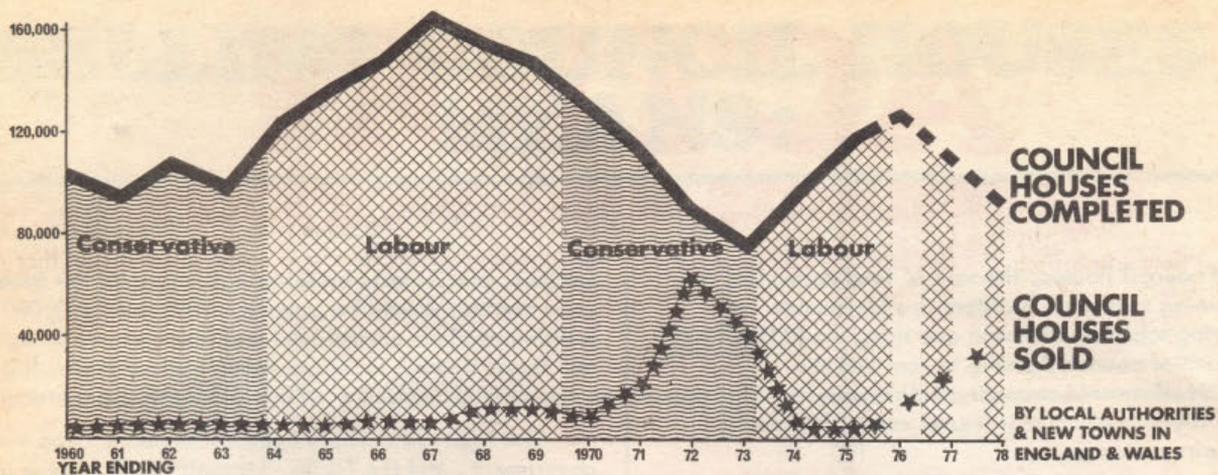


LEEDS CITY COUNCIL TENANTS HOME OWNERSHIP SCHEME

LEEDS Land lost

The council hopes to sell 1,000 council houses to sitting tenants by April 1977 - despite a waiting list of nearly 25,000. They also lopped 300 houses off the house building programme before the Government's cuts in new housebuilding.

308 acres of land for council housing are being sold to



IS A LABOUR GOVT. GOING TO REPEAT WHAT THE TORIES DID BETWEEN 1970-74 ?

builders for private housing. This was 'justified' by the Tories on the grounds that selling the land would 'save' ratepayers £300,000 a year (compared to gaining an asset of several thousand new council houses), that some people on the waiting list had refused offers of accommodation and couldn't therefore be in real need, and what mattered was the total housing stock, not whether it was council or private!

LONDON Sales start again

Many council houses were built for sale or sold in the late 1960's but with a Labour controlled Greater London Council and a Labour Government sales declined.

Over the past year, however, Labour controlled local authorities have taken up the sales campaign. The Docklands Joint Committee proposed that 20% of the 24,000 houses to be built in Docklands should be for owner occupiers and 40% should be built for equity sharing. This proposal has not been dropped from the plan despite the fact that it has been shown that less than 10% of residents in Southwark, Tower Hamlets and Newham could afford a 50% equity share in a house let alone become owner occupiers. Brent Council are enthusiastic about starting an equity sharing scheme. With the GLC local elections in May 1977 the Tories are already committed to selling if they return to power.

Newham: hard facts

Some councils are starting 'savings' schemes to help tenants buy a house. The following is the story of the dismal failure of one such scheme.

Newham started a Young Married Couples (YMC) scheme in 1968 in order to prevent the flow of young people out of the Borough in search of accommodation.

The scheme is open to engaged or married couples (minimum age 20 for the man) who are in employment and have a minimum of savings. They must not have children when they apply. One of the couple must have 10 years residence qualifications in Newham. The Borough grants successful applicants a council tenancy for a maximum of four years and the couple must pay not only the normal rent but must save a fixed minimum amount per week. In 1974 this was £5 per week on top of an average rent of £6.50. This has now been increased to a minimum of £8 per week on top of a rent of £8 to £9 a week. At the end of four years it is assumed that the couple will have saved enough money to put a deposit on a house, preferably in the Borough.

Its a myth

The early phases of the scheme were moderately successful, but in - as it turned out - exceptional circumstances. In 1969, 539 couples applied and by 1974, 220 flats were in use with a further 80 in reserve. At that time some couples in the scheme were buying new 3-bedroomed houses on a site owned by the council since the war. House prices were therefore exceptionally low (between £7,750 and £8,750), and council mortgages were available on reasonable terms. This was the scheme's 'glorious hour', and the basis for the myth about its success.

Now however, the couples in the scheme are facing the hard reality of the private housing market. The sheltered price conditions of the first site no longer exist, and YMCs are having to buy in the private market at considerably higher prices.

Few can afford to buy

The main problem is that couples just can't afford to buy a house once the four years are up. Their only outlet now is the private market; new house prices can be as high as £18,000. Buying older property is not much cheaper, and there is a shortage within the Borough. The savings level on the scheme has been jacked up to reflect this new economic necessity. Overall movement out into owner occupation - the whole point of the scheme - has been very limited. Only 10 couples left the scheme to buy in 1975 and 9 of these bought outside the Borough, thus defeating one of the main aims of the scheme. This is certainly below the expected turnover for a 4 year cycle with a stock of 280 tenancies where a figure of 50 to 70 couples buying out of the scheme would keep things flowing. 19 couples a year hardly adds up to a resounding impact on the housing problems of Newham's young couples.

High cost homes

Another major problem now is finding houses in the private market which are cheap enough for couples to be able to sustain mortgage payments; the savings scheme only provides the initial deposit.

The Borough is now trying to develop a "house-building-for-sale" programme using 5 proposed small redevelopment sites. By 1980 they reckon they can build 200 houses. Again, cost is a problem; the price will still be over £10,000, perhaps nearer £12 - £14,000. 200 houses over 4 years would anyway only just clear the present YMC tenants.

ACTION

by tenants and workers

The sale of council houses, the sale of land earmarked for council housing to private builders, build-for-sale and equity sharing schemes all mean one thing - a REDUCTION in the amount of council housing to rent and the EXPANSION of owner occupation. This pamphlet has shown that the sale of council houses cannot be justified under any circumstances.

Demand more and better council houses

So the objective for tenants and workers must be an immediate and total ban on all sales. But it is vital that action against the sale of council housing isn't simply based around a campaign to stop sales but that demands are made and action taken to EXPAND and IMPROVE council housing. This cannot be done in isolation because as we explained on page 6 the provision of council housing is closely wedded to the operation of the land and financial markets. So tenants and workers must also demand the nationalisation of all land and effective public control of the banks and financial institutions together with the construction and building industry.

Remember that ALL existing and prospective council tenants are affected by the sale of council housing.

Local action

The sale of council houses must be fought locally by:-

- * building support to try to force the council to stop selling off and to use this to build support and co-ordinate action to force the government to stop all sales.
- * campaigning to improve and expand council housing particularly where a council can't be stopped from selling. It is only by eliminating the faults of council housing that sales will become irrelevant and insignificant in number.
- * campaigning to get a clear commitment from councils who haven't already decided on these policies, that they will not implement them under any circumstances.

The basis for action

The suggestions for action in this pamphlet concentrate on campaigns against the sale of council housing. Many of these tactics can also be used to campaign for improvements in council housing. Before explaining these tactics it is important that the following points are taken into account by tenants and workers organising and campaigning against sales policies.

- Action must be taken irrespective of how many actual sales there are. You cannot afford to agree with some Tory councils, who say "We're only selling a few, they'll do no harm" when defending attacks on their policy. Such sales are only the thin end of the wedge - ways will be found, e.g. larger discounts, mortgage grants, to increase sales.
- There is great potential for joint action by tenants and

workers, particularly building workers, over the issue of sales and this should be grasped. With over 200,000 building workers unemployed and fewer houses being built and fewer council houses to repair and maintain, this means even more unemployment for building workers.

- The fight isn't simply against the council and the government, and the Tories, Liberals, SNP - but is also against the building lobby, the financial institutions and the professional groups all of whom have vested interests in expanding owner occupation and reducing the role of council housing.
- One reason why the sale of council houses is being pushed now is the cuts in public spending. Action against sales should therefore be coordinated with cuts and unemployment campaigns which can also provide a base for widening support and pushing out information.
- Campaigns against the sale of council houses require strong tenants' organisations which will grasp opportunities to unite with other tenants groups, cuts campaigns, etc. But the sale of council houses is only one issue - more importantly strong organisations will be needed to fight for the improvement and expansion of council housing.
- Getting resolutions opposed to sales passed by tenants federations, trades councils, union branches, Labour Parties etc, must be only a means to an end. They have got to be used to get those organisations to take action and used to broaden the campaign.



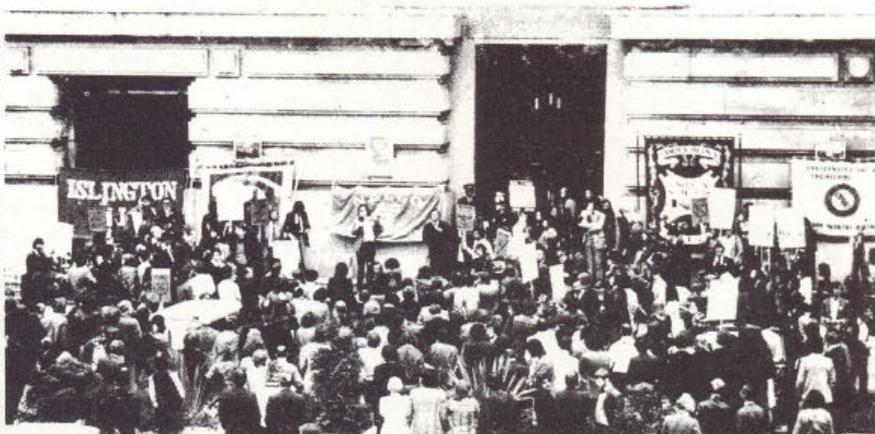
- Council schemes to sell off council houses, give off council land to private builders, start build-for-sale and equity sharing schemes, are often in an advanced stage of preparation when they are publicly announced. It's therefore important to keep informed of developments inside the council from councillors and officers.

★ Producing and distributing information about the local and national effects of sales policies should be a major activity in any campaign.

ACT NOW! **Campaigns to improve & expand council housing**

★ Build campaigns opposing sales around demands and action to improve estates, carry out repairs programmes, getting community facilities, adequate heating systems, etc. Organise meetings and demonstrations specifically aimed to diminish publicity and limelight for council's sales propaganda and to force the council to tackle the real issues.

★ Work with other tenants groups to draw up a set or charter of demands.



★ Build upon tenants' anger at rent increases to demand improvements – don't let the council use the increases to coerce more tenants into buying.

★ Constantly keep track of the state of the council's housebuilding and improvement programme and make sure that all new housing schemes are built to Parker Morris standards and have adequate facilities and services.

Taking on the council

- ★ Challenge the council at every opportunity.
- ★ Organise pickets and demonstrations at committees and full council meetings when sales are being discussed.
- ★ Organise events to counter the council's own schemes – some councils use show houses or exhibitions, e.g. Liverpool, as part of its build-for-sale scheme. Use alternative 'show' houses of people waiting to be rehoused, picket and distribute leaflets outside the council's show houses or exhibition.

Gaining support

- ★ Use demonstrations, marches, meetings and conferences on other issues, e.g. cuts and unemployment, to distribute information.
- ★ Try to get trades councils, tenants federations, cuts campaigns, Labour Parties, union branches, etc., to pass resolutions opposing sales, and make specific requests to them to take action, e.g. deputations to council, organise support for demonstrations. Ask for delegates/observers to attend your meetings to discuss sales and ways of supporting your campaign to expand and improve council housing.
- ★ Arrange short local conferences – say a half day – you

don't have to have big name speakers, don't try to have them on too large a scale, but aim to get tenants and workers discussing the issues together.

★ Contact other tenants and residents groups, particularly in redevelopment and improvement areas. Discuss with them how the council will be less able to deal with overcrowding, how tenants will have to pay more rent, point out estates which will be more difficult to get rehoused to.

Joint action

★ Contact UCATT shop stewards in both the Direct Works Department and on the council's building sites and those sites which the council has sold off. Discuss with the workers the council's sales policies, point out who the houses they are building are for, try to build towards blacking of some of the sites. Discuss the situation in direct works departments – how they are affected by the cuts, tenants demands for repairs, etc.

★ Contact NALGO/NUPE shop stewards to suggest what action they could take, e.g. go slow or blacking of processing applications for sales, possible action in other departments to support the campaign.

Attack the financiers & private builders

★ Publicise the deals, vested interests and profits of private builders and developers who buy land from the council and those who build council housing. Counter the attacks on direct works departments by the building lobby.

★ Explain the role of the financial institutions like banks and building societies and professionals like estate agents and solicitors and their interests in council house sales. Examine their connections in the local power structure. (See Community Action No.15 and the Investigators Handbook.)

Pushing out information

- ★ Analyse the impact of the council's sales policies, how it affects the housing programme, is it borrowing more money through increased mortgages, etc. Prepare leaflets for distribution on estates, particularly those where houses are being sold, building sites and through the trades council and Labour Party. Prepare articles and news reports for community newspapers and newsletters.
- ★ Having pushed out information, it's got to be followed up with action, develop contacts, send speakers to other tenants groups, playgroups, nurseries, etc to discuss the issue of sales.

LIE OF THE LAND

COMMUNITY LAND ACT: LAND NATIONALISATION BETRAYED.

This pamphlet analyses why the Community Land Act - legislation sold to the community as the answer to the disaster of property speculation - will in fact do nothing to help working class communities gain the land they need for council housing, schools and other community facilities. The pamphlet includes a simple guide to the Act, an explanation of why land nationalisation is necessary, reports from community groups around the country who are bitterly disappointed with the Act, and shows how the property world is dictating the ways in which the Act will operate. Published by the Land Campaign Working Party, c/o 31, Clerkenwell Close, London EC1. Price 35p. 5 for £1.45, 10 for £2.75 (inc. postage).

Fight the Attack on **COUNCIL HOUSING**

Who's behind the attack, subsidies - where the money really goes, rents, tenants' rights, community facilities, why council housing is important, tenants' control, design and construction, the property lobby, tenants' organisation and action, the struggle ahead - and lots more in issues 24, 25 and 26 of COMMUNITY ACTION.

A special Council Housing Package is available including issues 24, 25 and 26 and posters and leaflets. Price 55p (inc. postage) from Community Action, P O Box 665, London SW1X 8DZ.

INVESTIGATORS HANDBOOK

A guide for tenants, workers and action groups on how to investigate companies, organisations and individuals. Details hundreds of sources of information and explains where to find it and how to use it. Price 30p from Community Action.

Public Inquiries Guide

A 40 page booklet containing a great deal of information about public inquiries, how they are run and how action groups can organise a case to present at the inquiry. It describes the different types of inquiry - CPO, planning and roads inquiries - outlines the procedure adopted at each, and details the sort of arguments action groups can use in preparing a case for the inquiry. Includes advice on how and when to use solicitors and expert witnesses, and where to find information you may need for your case.

Price: 15p to action groups, 50p to others

How to use census information

A 6 page leaflet to help tenants and action groups use the mass of information on housing and population contained in the Census reports. Price 9p inc. postage. (Reductions for bulk orders).

Both publications from SCAT, 31 Clerkenwell Close, London EC1.

PROFITS AGAINST HOUSES

A report by the National Community Development Project, based on experience in 3 of the CDP areas, but with conclusions common to all working class areas. It examines the way in which land dealers, building companies, money lenders and estate agents, solicitors etc. ensure that the ideal of a decent house for all will never be realised.

Price 50p plus 15p postage from Newcastle CDP, 85-87 Adelaide Terrace, Newcastle upon Tyne NE4 8BB

EQUITY SHARING

ALTERNATIVE FORMS OF TENURE : PREFERENCES AND COSTS

This report takes a very critical look at equity sharing schemes in principle and in practice - the real costs of such schemes and the social effects on the public housing sector. It exposes the main reasons why these schemes are being promoted, and shows how few people living in the London Docklands area would actually be able to buy 'half a house', even if they wanted to. Published jointly by the North Southwark CDP and the Joint Docklands Action Group. Price 40p from: JDAG, 58, Watney Street, London E1. Tel: 01 790 8342.

PRICE: 6p
plus 9p post

SEE PAGE 2 FOR BULK RATES