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Abstract
The idea of a ‘Right to Buy’ for council-house tenants originated after 1945 as part of the Conservative attempt to build a ‘property-owning democracy’, however it was deemed inappropriate and of doubtful political value by Party elites until Conservative councils enacted profitable local sales schemes during the late-1960s. This article argues that the success of the ‘Right to Buy’ was contingent on the changing socio-economic context of the post-war decades, and determined by the specific nature of the British housing market. The expansion of working-class owner-occupation, and changes to the public and private rental sectors, created the conditions in which the ‘Right to Buy’ idea was liberated from its immediate post-war constraints. The article provides evidence of the deeper origins of ‘Thatcherite’ policies within the post-war Conservative Party, and suggests that the post-war ‘consensus’ was a soft set of political parameters which were easily discarded once new political possibilities arose out of a changing electorate.

Key words: Housing; Property-owning democracy; Thatcherism; Conservatism; Consensus.

The ‘Right to Buy’ scheme, enacted in October 1980 by Margaret Thatcher’s first Conservative government, was at the core of the political project of ‘Thatcherism.’ The policy, which gave all tenants of local authority houses a statutory right to purchase the home in which they lived at discounted rates (as much as 50 per cent for those who had been resident for 20 years or more), was hugely successful in terms of sales made. By 1996, 30 per cent of tenants had exercised their newly assigned right, and 2.2 million dwellings had been transferred into private ownership. Critics and supporters of the policy have both acknowledged its radicalism and significant long-term impact. Supporters cheer its success in providing the opportunity of home ownership to millions of council-tenants; yet opponents argue that the policy has resulted in a chronic shortage of affordable housing,
increased the burden of household debt, and cemented council-housing as a residual form of tenure for the poorest members of society.²

In popular discourse the ‘Right to Buy’ is widely viewed as the distinct product of Margaret Thatcher’s personal and political ideals. Though it has been long-established in academic assessments of Thatcher’s career that her personal commitment to offering large discounts was muted prior to 1979, the association between herself and the policy remains an enduring semi-myth which continues to underpin her political legacy.³ The following article attempts to look beyond this narrow association, and beyond the decade immediately preceding the Conservative election victory in 1979, in an attempt to identify the actual origins of the ‘Right to Buy’ idea within the post-war Conservative Party. In doing so it argues that the idea of a mass sale of council houses which might circumvent the limitations of central and local government had its origin in Tory opposition to Labour’s public-ownership principle immediately after 1945. Yet while a coherent Conservative commitment to private property-ownership appeared to justify privatization, an activist sales agenda promoted by a small group on the fringes of the Party was constrained as a possible policy option by the accepted boundaries of local-authority housing provision which were bolstered by an apparent unwillingness of council tenants to buy. It was not until the late 1960s, when campaigning Conservative local councils undertook successful sales schemes, that Party elites reconceived the idea as an attractive and tenable policy option. This shift was rooted in the secular trend of increased post-war working-class homeownership, and catalyzed by contemporary changes in the nature of council-house provision by the late 1960s. The principle of a right to buy was established as Party policy as early as 1974, only to be catalyzed further in the drive for cuts in public expenditure precipitated by the economic turmoil which characterised the middle of the decade.

This story of the development of ‘Right to Buy’ contributes to the twin historical debates regarding the origins of ‘Thatcherism’ and the purported existence of a post-war ‘consensus’ in British politics. Historians have been concerned to ascertain the extent to which ‘Thatcherism’ was a continuation of, or break away from, prior traditions of British Conservatism.⁴ Thatcher’s contemporary critics from within the Conservative Party alleged that her dogmatic and divisive policies were a distinct break with Tory values, and Thatcher herself explicitly rejected the consensual and apparently semi-socialistic tendencies of post-war Conservatism.⁵ Yet historians have increasingly recognized the clear ideological relationship between ‘Thatcherism’ and Tories who had always rejected the post-war settlement on the fringes of the Parliamentary party and in its ‘grassroots’.⁶ It is also clear that there were strong continuities between Thatcher and her consensual predecessors – especially regarding
property ownership. The argument presented in this article supports E.H.H. Green’s assertion of the importance of situating ‘Thatcherism’ in the historical context of the ‘long-standing arguments and trends in the Conservative Party’s subculture since 1945’, and demonstrates as an example that the ‘Right to Buy’ policy had a long period of gestation in the Conservative Party.

In a related way historians have debated the extent to which a ‘consensus’ – a broad agreement on the economic and social agenda of politics – characterized the decades between the end of the war and Thatcher’s election. It has long been agreed that a ‘strong’ definition of cross-party ideological consensus was a mythical by-product of Thatcherite political narrative. Yet consensus as a framework for what is and isn’t politically feasible is surely a characteristic of any period of time. This article lends credence to the notion of a post-war ‘consensus’ defined by Kavanagh and Morris as ‘a set of parameters which bounded the set of policy options regarded … as administratively practicable, economically affordable and politically acceptable.’ As such it was not a fixed, rigid institution but the product of contextual pressures. While the ideological attachment to building a ‘property-owning democracy’ established a commitment within the Conservative Party to reduce the number of council properties, radical proposals for achieving this end were constrained by what was deemed possible or worthwhile. It was not until the economic and social foundations which formed these constraints began to be eroded that the idea of a mass privatization was liberated and able to gain greater salience as a feasible policy. The eventual adoption of the idea in the 1970s was a function of structural changes and contingencies which reordered the environment in which the Conservative Party, pursuing a set of fairly fixed goals, was able to operate.

I

Before addressing the specific issue of the Conservative Party’s attitude to the sale of council houses, it is necessary to outline the nature of the Party’s overall approach to the provision of housing during the post-war decades. Widespread urban destruction and the inability to build new homes during wartime, combined with the already existing pre-war problems of chronic shortage and slum-living, ensured that housing was one of the most pressing social concerns for political parties after 1945. The response of the Attlee-led Labour Government was to undertake a national programme of public construction which significantly expanded the provision of municipalized council-housing. Under the direction of Aneurin Bevan at the Ministry of Health, this new council-housing was intended to provide high-quality homes which met the general needs of the entire population. Meanwhile, the operation of the free-market in construction and private-rental was significantly curbed, with rent controls extended and the future development values of all undeveloped land nationalized. Harriet
Jones and Peter Weiler have both demonstrated that Labour’s attempted socialization of housing during the 1940s served to reaffirm the Tory commitment to a free-market in housing. Jones has noted that the Party, spurred-on by its Parliamentary right-wing, attempted to undertake a massive house-building project by freeing private enterprise from Labour controls after 1951. While this embodied the party’s faith in the efficiency of markets, it was also embedded in a broader ideological commitment to widening the ownership of private property. In 1946 Anthony Eden had sought to construct a Conservative alternative to the public ownership principle espoused by the post-war Attlee government which built upon Noel Skelton’s concept of the ‘property-owning democracy.’

This was an alternative in which ‘the ownership of property [was] not a crime or a sin, but a reward, a right and a responsibility that must be shared as equitably as possible.’ In 1953 the Conservative Research Department (CRD) produced a policy document entitled ‘The Ownership of Property.’ Written by Michael Fraser, who was to later become director of the CRD (1959-64) and deputy-Chair of the Party (1964-75), it gave a detailed and principled account of the Conservative commitment to private property. Tracing the property principle ‘back through Disraeli, Coleridge and Burke, through the ideals of feudalism and the teachings of the early Christian church’ to Aristotle’s defense of private ownership against ‘Plato’s quasi-communism’, the document placed the property principle in a self-conscious intellectual lineage. The Conservative defense of private property was reasoned in terms of ‘instinct, prescription, experience, and commonsense,’ but rationalized according to a host of intended outcomes. Property was understood as the ‘historical basis of liberty and status’ providing the ‘philosophical basis for personal independence.’ Private possessions were understood as an ‘educative and stabilizing force’, with property-owners more willing to ‘preserve moral values.’

Furthermore, property served as a ‘useful economic incentive.’ These philosophical ideals, according to Fraser, determined that the Conservative Party should ‘seek to diffuse power and property through the greatest practicable spread of ownership’ being ‘just as concerned to spread responsibility as to spread wealth.’ As core ideological principles they were actively tied to a desire to significantly expand home-ownership, in which mass owner-occupation would become enmeshed within a democratic ideal of providing the electorate with ‘a real stake in the country.’ Home ownership was believed to be the cornerstone of a stable, democratic society of liberated individuals.

The ideals of widely-held private property were ingrained within the Party’s grassroots discourse on housing. The normative assertion that property-ownership was in some way a ‘natural’ and organic desire of all individuals, permeated the Party. A 1948 Conservative Political Centre (CPC) report condensed the discussions of nation-wide meetings of over one thousand Party members who had been consulted on their thoughts and attitudes regarding the concept of a ‘property-owning
democracy.’ In sum, these groups expressed the view that property was ‘the foundation of personal independence’ for which the desire to own was ‘just as natural to the human being as is the desire for marriage and for a family.’ Furthermore, widespread owner-occupation was an effective political tool that could act as ‘an effective answer to Communism’ – or Labour socialism.

The Tory attitude to council-housing was fundamentally shaped by the Party’s commitment to owner-occupation, alongside its desire to revive the UK private rental market. According to the principle of property-ownership, council-housing fundamentally restricted individual liberty and self-determination. It was feared that the uncontrolled spread of council-housing would crowd-out the private market and create a situation in which all property was owned by the State. Weiler has noted the Tory efforts to counter this trend between 1951 – 1964, primarily through attempts to abolish the ‘uneconomic’ rents of subsidized council tenancies which discouraged house purchase and private rental, as well as promoting a sizeable programme of private house-building. However, despite this preference for the private-sector in housing, the Party did accept that council provision served a specific social role in providing a residual form of tenure for households unable to pay ‘economic’ rents. This acknowledgement that the State had a responsibility to provide for the poorest and most vulnerable members of society was a rejection of the ‘Bevanite’ ideal of public housing designed to meet ‘general needs.’

The Conservative housing record after 1951 was paradoxical. While attempts to expand owner-occupation were highly successful (the stock of owner-occupied dwellings increased from 29 per cent in 1950 of the whole to 42 per cent in 1960), the Party also oversaw a continued substantial increase in the number of dwellings built and managed by local authorities (the stock of public housing increased from 18 per cent to 27 per cent between 1950 and 1960). Whilst removing many of the controls on construction and development, as well repealing most rent controls, Jones has demonstrated that the promise to build 300,000 houses a year through the entrepreneurial energies of the private market failed during the early 1950s, with the shortfall having to be met through local authority construction. Furthermore, Weiler notes that the attempt to reinstate the operation of the private market faced significant opposition as land speculation and ‘shark’-landlordism appeared socially irresponsible and morally questionable against the backdrop of ongoing shortages. These examples of the Tory failure to halt the expansion of council-housing demonstrate the constraints imposed by environmental and institutional factors (e.g. housing shortages, problems in the construction industry, municipal autonomy) which limited the Party’s capacity to totally impose its ideological will during its period of mid-century political dominance.
II

Under Section 79 of the 1936 Housing Act local councils were permitted to sell houses (at the best possible price) with the consent of the Minister of Health. This semi-permissive legislation was clearly not formulated as part of any significant drive to privatize the 1.1 million council houses which had been constructed by 1938. However, the structure of this semi-permissive policy was the basic legal architecture through which further ideas about sales were to evolve and develop after 1945. Under the Attlee-led Labour government the ministerial consent was entrusted to Aneurin Bevan, who continually refused the sale of all local authority housing on the grounds that so long as a high demand for rented accommodation continued it would be wrong for councils to remove properties from the available housing stock. Bevan’s commitment was to the provision of housing to meet ‘general needs’, and he argued that houses financed by the public should not ‘be sold to others merely because they have the money to buy them.’ For many Conservatives, hoping to limit the growth of the State in the housing market and to extend private property-ownership, Bevan’s obstinacy was deeply frustrating. The most significant critic of Labour’s restrictions on council house sales during the 1940s was David Gammans, MP for the north London constituency of Hornsey. Gammans, who was to serve as Assistant Postmaster General in Winston Churchill’s 1951 government, was the chief protagonist during the late 1940s in promoting a sales policy. A February 1947 meeting of the party’s Housing, Local Government, and Works Committee (HLGW) discussed Gammons’s proposal to ‘[empower]… local authorities to dispose of the freehold of council houses’ as a means of ‘breaking up the ownership of large estates’, and in December he directly challenged the Minister of Health in the Commons over his refusal to grant Hornsey Borough Council the right to sell properties. A few weeks later he wrote to Churchill arguing for the benefits of a major council house sales policy. Referring to a recent vote at the party’s Brighton conference in which the idea of council house sales was ‘adopted unanimously in principle’, he stressed that it was an issue upon which the Party could win ‘many thousands of votes’ which were ‘likely to remain Conservative’ – given an ‘intensive propaganda’ effort. Beyond the apparent electoral advantage, Gammons framed the issue of council house sales within the broader ideological conflict between the two main parties, criticizing Bevan for ‘turning the British people into a race of propertyless proletarians’ – when ‘nine people out of ten’ apparently wanted to own their own homes. In his letter, the Member for Hornsey attempted to push Churchill towards taking an active stance on the issue, suggesting that he might mention it in an upcoming public broadcast, and even arranged a ‘small luncheon party’ for Lord Woolton and a selection of ‘knowledgeable’ guests to discuss sales. Attached to the letter was a memorandum on housing policy in which Gammons posed ideas under the heading ‘The Breaking up of Council
The most significant of these proposals was that the council house tenant ‘of, say, five years standing’ might be given ‘the unchallengeable right to buy his own house.’

Almost six months passed before a frustrated Gammans received a response from the CRD which rejected his ‘frequently canvassed suggestion’ of awarding all council tenants with a statutory right of purchase. In a note written by G.D.M. Block it was argued that the national government should not encroach on local government responsibility for public housing. While admitting that selling council properties could raise significant revenues, Block argued that it would be a ‘dereliction’ of the ‘proper duties’ of local authorities – and felt that the scheme went far beyond the intentions of the 1936 legislation. He referred to the fact that housing was broadly viewed in the late 1940s as a public service ‘just as the provision of baths…or of hospital accommodation,’ and that this sales scheme flew too directly against the consensus. Furthermore, Block noted that the ‘desire to own is not universal.’ Referencing Mass Observation reports conducted during the war, he emphasised that only 20 per cent of local authority tenants wanted to purchase a house. Furthermore, the varying nature of housing estates determined the preference for house purchase, with a survey indicating that only 14 per cent of tenants on London’s Becontree estate were looking to become owner-occupiers, as opposed to the tenants of the ‘more attractive’ Roehampton estate where 29 per cent sought to buy. Block was resigned to the notion that a radical sales proposal could not overcome the seemingly perpetual expansion of council-housing. This contrast in attitudes between Gammans and Block is a mirror of the wider division that has been identified by Harriet Jones between the Tory ‘right’, which aggressively sought to revive the property market and vastly expand private ownership, and the moderate voices of the CRD during the late 1940s.

The Party formally agreed that ‘no prescriptive right to purchase could be conferred on tenants of long standing’ during a November meeting of the Housing Policy Committee (HPC) (Gammans was a member and Block was Acting-Secretary). Yet it was agreed that ‘local authorities should not be hindered from selling houses in accordance with Section 79 of the Housing Act.’ A report published by the committee argued that local authorities should be allowed to use their existing powers to dispose of houses ‘surplus to the number required for families unable to afford any economic rent’ – a policy codified in August 1952 when Harold Macmillan, as Minister for Housing Local Government, issued a ‘general consent’ (Circular 64/62) for council house sales which ended Bevan’s official resistance. The circular provided guidelines for how sales would take place and scrapped the requirement that local authorities had to obtain the highest possible price. However, the concern not to undermine the duty of councils to continue to meet social need ensured that they were encouraged...
to control re-sale prices and obtain a right of pre-emption within five years of purchase which would limit any loss of the council housing stock. A reflection of Macmillan’s conciliatory approach, this was a moderate attempt to find a middle-way between the desire to encourage owner-occupation and to maintain respect for the accepted boundaries of housing governance.

Throughout the 1950s the Tory elite remained firmly committed to a limited, permissive policy. As Housing Minister Macmillan personally devoted little time to the issue, and appears to have been largely indifferent towards sales – despite his firm commitment to expanding owner-occupation. His apathetic stance was embedded in a wider belief that sales lacked the capacity to significantly increase home ownership, and could only make ‘a minor contribution’ to the property-owning cause. The timidity of the permissive policy was justified by the seemingly obvious lack of public interest, with Macmillan describing the number of actual sales completed by March 1953 as ‘negligible.’ In February 1958, the recently appointed Housing minister, Henry Brooke, continued to cite ‘a reluctance among council tenants’ to buy. Using data obtained from the Ministry of Housing and Local Government, John Udal at the CRD explained that –

…about two-thirds of all local authorities have expressed their willingness to sell council houses. As against this fact that only 10500 sales have been made by some 440 local authorities suggests strongly that the disappointingly small number of sales is due not to unwillingness to sell on the part of local authorities but to lack of interest on the part of tenants.

The local government sub-committee was agreed, stating that though the sale of council houses was useful it could ‘at best…only be a sideline’ measure in the quest to grow owner-occupation. There were evidently more fruitful means of expanding home ownership, mainly by encouraging private enterprise house building.

This passivity did not satisfy a number of proactive backbench MPs who were committed to a more aggressive sales policy which could circumvent the limitations imposed by reluctant local authorities. In 1952 the Conservative MP for Woolwich West, Bill A. Steward, wrote to Macmillan’s private secretary, Ernest Marples, to inquire whether the government could overcome local authority reluctance. Marples response was direct – ‘The short answer to your question is “No”’

His reply reiterated the government’s commitment to the prerogative of local authorities. Marples criticised the notion that Whitehall should attempt to encourage sales, stressing that the pressure to
buy council properties must come from the local electorate. Steward was left to protest that his own local authority, the Labour-led Woolwich Borough Council, was preventing the expansion of home ownership for political purposes. He denigrated the ‘soulless body’ of local councils whose monopoly over housing deprived the individual of his rights, and urged radical government action. Marples thought this was ‘rather unfair to the local authorities.’ When the Staffordshire MP Hugh Fraser contacted Marples in November of the same year he was given a similar response – “The powers in the Housing Acts are permissive, not mandatory… There is little more we can do.”

This resistance held in the face of a concerted effort by activists through the decade. At a meeting of the HLGW committee in July 1959, Harold Gurden, the MP for Birmingham Selly Oak, urged the government to encourage local authorities to sell their housing to existing tenants on the grounds that there was apparently no further land available for private enterprise building. Three months later, another backbench MP, Malcolm McClaren, contacted John Udal to inquire as to ‘whether it would be a good plan and practical policy to try and give a council tenant…some kind of statutory right to buy.’ On 11 November 1959, Gurden opened the committee meeting by expressing deep concern over the significant size of local authority tenure, citing the fact that 75 per cent of all homes in Birmingham were owned by the council. The remedy for this affront should be the mass disposal of council houses. Alongside McClaren, Leslie Seymour, Capt. Frederick Corfield, William Clark, and Raymond Grener, the Birmingham MP called for the government to compel local authorities to offer their council houses for sale. These individuals felt that permissive legislation had failed due to the ‘vested interests’ of Socialist councils. Compulsion was the only logical solution. Yet resistance to such radicalism was strong, and a majority of the committee members criticised the idea. Phillip Hocking argued that, from his experience in Coventry, tenants were ‘evidently reluctant to buy.’ Wilf Proudfoot, an ex-member of Scarborough Town Council, explained that since 1952 the council had only managed to sell twenty houses despite its willingness to sell. Bourne Acton ‘deprecated the idea that Parliament should become the housing authority for the country.’ He was supported by John Ellis Talbot who felt that compulsion would irritate Conservative councils, as well as reducing the pool of available housing for re-letting. Enoch Powell, the ex-junior housing minister and long-term committee member, had the final word on the issue. While sharing the concerns of the claimants over the amount of land owned by local authorities, he dismissed the proposals, claiming that ‘the committee would be deceiving itself if it thought the enfranchisement of council tenants offered a real solution to the problem.’ Powell’s position mirrored the view of the Party’s policy elite, and though Gurden et al. had tried to force the issue, they continued to face the barriers of practicality and feasibility. When Henry Brooke and his PPS Keith Joseph visited the committee a year later they
reiterated the argument that ‘the man wishing to buy his own house did not want to own a council house, but rather a privately built one.’

Following the end of the war, the Conservative Party had forged a distinctive commitment to the extension of private home ownership. Within this ideological drive for a ‘property-owning democracy’ the seeds of an idea emerged which would provide the ever-expanding population of council tenants with a right to buy their rented homes. Heavily promoted by a handful of committed believers the policy seemed to be firmly in tune with the principles of the post-war Conservative Party. Yet the activists for a right to buy were constantly frustrated in attempting to implement their policy, with senior Conservatives resistant to compulsory sales. The value of challenging the principles of local authority control and legislative precedence was limited by a fundamental lack of demand for council house purchase, meaning that any attempt to sell council properties on a mass-scale would expend political energy that offered little electoral reward.

III

In the wake of Labour’s national electoral success in 1964, and Tory local election gains in 1966, a number of Conservative controlled local authorities began to undertake large-scale programmes of council house sales under the existing general consent. The most high-profile of these schemes was that which was pioneered by Birmingham City Council under the leadership of Alderman Frank Griffin. On winning control of the council in 1966 the local Conservatives combined an intensive public promotion of sales, with an offer of discounts for longstanding tenants, and an increase in council rents which made mortgage repayments more attractive. By February 1967 the council announced that it had sold 2,558 houses over a nine month period. The Conservative-led Greater London Authority, with Horace Cutler as its Deputy Leader, also campaigned for a mass sale of properties, as did the newly-elected Tory council in Manchester.

The sales activism of Tory councils had a significant impact on public and political discourse which placed the Labour government in a difficult position. Though not as ideologically entrenched as within the Conservative Party, Labour had never been fully averse to owner-occupation, and increasingly championed the expansion of home-ownership alongside council provision during the 1950s and 1960s. Local Labour councils often acted as major providers of mortgage finance – for example between 1960 and 1965 Sheffield council provided over 10,000 loans. Forrest and Murie have argued that it is ‘difficult to sustain the view that the parties’ attitudes to owner occupation differed in principle’ – the 1959 Labour manifesto even promised sitting tenants first right of
purchase on their council property. However, in the late-1960s Anthony Greenwood, the Minister for Housing and Local Government, was anxious to maintain the housing stock in order to meet the needs of those on council house waiting lists and argued that the mass disposal schemes being practiced by Tory councils were irresponsible. He, with the support of the Party conference, argued that such schemes would reduce the pool of housing available to let at affordable rents. In 1966 it was a potent argument given that concerns for housing shortage and homelessness had recently derailed the Conservative liberalizing reforms. Despite the later efforts of some (notably Wilson’s special advisor, Joe Haines, who argued for a sales policy in 1974) the argument against indiscriminate sales was officially propounded by Labour throughout the 1970s – culminating in its opposition to the 1980 legislation.

Greenwood’s threats to limit sales were a challenge to the freedom of Conservative councils. The minister’s resistance seemed to embody the ‘Bevanite’ notion of prioritizing housing need which provoked the Conservative Party to reaffirm and restate its commitment to the principles of widening home-ownership through council house sales. Geoffrey Rippon, the opposition spokesman on housing, led the defense of council house sales in the face of Greenwood’s attack. Buoyed by the success of the local schemes which had seen council house sales increase from an average of 2,361 p.a. in the years 1960-1965, to 3,798 in 1966 alone, Rippon told the Bexley Conservative Association that ‘if Mr. Greenwood… restricts the freedom of local authorities and the freedom of choice for tenants, I can promise him that he’ll have a major row on his hands.’ This rebuttal of the threat to the general consent developed into a major public debate over the following week, with The Times reporting that ‘the sale of council houses appears to be growing into an important political issue.’ Even Edward Heath was drawn into the debate, reiterating Rippon’s criticism of Labour ‘doctrine and dogma’, and publically supporting Birmingham’s ‘well-planned initiative.

During the early months of 1967 Conservative Central Office (CCO) expended significant political energy on the issue of council house sales. The Party Chairman, Edward Du Cann, conducted a national campaign on the issue, publically arguing that sales did not diminish the housing stock – as Greenwood had suggested – but that the policy of Birmingham City Council was apparently ‘one of those rare occasions where an initiative is good for everybody and bad for nobody.’ It was forcefully argued in a CCO memorandum sent to senior Party figures that it was vital to publicize sales ‘as fiercely as possible’ as a means of forcing a widespread abstention of the Labour vote in the upcoming local elections. In response, a leaflet outlining the party’s plan for the sale of council houses was distributed to all local parties to help them fight their upcoming campaigns.
planned press conferences in ‘the major cities’ which were designed to ‘give the impression of a “spontaneous” upsurge of feeling’ against any limits imposed by Greenwood, and supportive articles were arranged to be published in newspapers and on television.\textsuperscript{71} CCO and the Party leadership sought, in response to regional success, to take the issue of localized council house sales to a national level, as it became ‘the most important initiative’ in the forthcoming local elections.\textsuperscript{72}

The first quarter of 1967 witnessed a critical moment in the evolution of the Conservative attitude and approach to selling council houses. The significant successes of Tory councils highlighted to the Party elite that council house tenants were increasingly willing to purchase their homes in response to pro-active measures. Where the Party discourse on sales during the 1950s had been constrained by the limited extent to which an active sales policy could have any significant impact on a disinterested electorate, the successful implementation of such schemes at the local level vividly highlighted new possibilities. This happened to coincide with a shift in the demographic and ideological make-up of the Tory Party, in which the patrician and conciliatory figures that had dominated the immediate post-war decades were gradually replaced with a younger generation of middle-class Tories more willing to challenge the perceived status-quo of ‘middle-way’ policies.\textsuperscript{73}

As sales began to increase the attempted limitations of the Labour government pushed the Conservatives towards a stronger affirmation of its belief in the principle of encouraging tenants to purchase their own homes. When Greenwood strictly limited the number of houses councils could sell in 1968 (in Greater London, the west Midlands, south-east Lancashire, and Merseyside, sales were limited to 0.25 per cent of the housing stock in a single year) the Conservative response was to argue forcefully for the re-implementation of the general consent.\textsuperscript{74} This mirrored Tory frustrations at Bevan’s restrictive policies imposed during the 1940s. Once re-elected in 1970, the Heath Government reinstated the freedom sell properties at up to a twenty percent discount, leading to a peak of 45,000 sales in 1972 alone (Figure 1). Efforts to shift public housing into private hands – a policy which was once the preserve of an ideologically committed few within the party – were no longer seen as ineffectual. Where once the idea of mass sales had been ignored, it was now an extremely attractive and valuable endeavor worthy of investing political capital.
To understand this change it is necessary to look beyond the simple political conflict, and to acknowledge the fundamental structural changes within the British housing market which had taken place over the prior decades. These changes created the conditions in which the policy idea of a mass sale could be liberated and acquire political potency. While the vast expansion of public housing was a striking feature of post-war Britain, the dominant trend which characterized this period was the steady expansion of owner-occupation (Figure 2). Between 1950 and 1970 the percentage stock of dwelling of this tenurial type increased from 29 per cent to 50 per cent (local authority and new town rentals increased from 18 per cent to 30 per cent). This was primarily driven by dwellings being taken out of the private rental sector and placed into the hands of owner-occupiers in what Harold Carter has described as ‘a largely un-noticed tenurial revolution.’ This increase in owner-occupation is notable for its changing class incidence – namely the way in which home-ownership percolated down from a primarily middle-class preference, to something sought by skilled and semi-skilled working class households. Rising house prices throughout most of the 1960s and 1970s, coupled with inflation amenable to mortgage borrowers, made owner-occupation an attractive prospect to those working-class households increasingly able to afford it. This was encouraged further by tax reliefs on mortgage interest and imputed income from property, an option mortgage scheme for low income owner-occupiers, and exemption from capital gains tax on house sales which privileged property.
Meanwhile, the pursuit of ‘realistic rent policies’ after the mid-1950s, which had sought to encourage local authorities to raise housing costs for those local authority tenants most able to pay, encouraged affluent working class households to become owner-occupiers. By 1972, almost half of all skilled working-class households owned their own home. 

The effect of expanding home-ownership at the expense of the private rental market had a variety of effects. As the skilled-working class sought to leave council provision, or were encouraged to do so by their local authority, public housing fundamentally changed in character and purpose. No longer was it the preserve of ‘respectable’ working-class families, it developed into an increasingly residual form of tenure which met the needs of poorer families displaced by the increased pace of slum clearance during the 1960s. This undermined the support-base for council housing and drove a demand for greater housing market flexibility. Simultaneously, the quality of new council housing was perceived to be in decline. The systems-built, high-rise efforts which dominated much of the 1960s were often characterized by failure (e.g. the redevelopment of Hulme in Manchester) which undermined the desirability of council renting. Culturally, the idea of an archetypal council house and tenant shifted from high-quality and ‘respectable’, to low-quality and poor. Alison Ravetz has noted that in the fifteen years preceding 1970 existing tenants had also been required to subsidize new construction as council rents had risen by 85-90 per cent in real terms and outstripped earnings increases. In comparison, mortgage repayments became increasingly attractive, especially when offered by supportive local authorities. By the start of the 1970s the private rental sector, which had ceded so
much of its share of the housing stock to new owner-occupiers had largely been exhausted as a source of property purchase. Demand for home ownership continued to grow for the working-class families who could afford to buy, and so purchasing existing council properties became a more practical option.

The success of Tory-council campaigns were the catalyst in persuading the national Conservative Party to take a more pro-active and aggressive stance in support of sales. Local successes were, however, embedded in these wider socio-economic and tenurial changes. As council-tenants either did not have the capacity, desire, or need to purchase their homes from the local authority during the 1950s it was not a viable option to vigorously push for sales. Yet as expanding working-class owner-occupation came into conflict with the constraints and changing character of the UK housing market at the end of the 1960s, the increased willingness of tenants to buy ensured that council-house sales became a politically valuable issue for the Tories.

IV
Having removed the obstacle of central government limitations on local authority discretion, the focus of those concerned to increase sales shifted to reluctant councils. As had occurred during the 1950s, it became increasingly evident that significant limitations on the ability of tenants to purchase their house were perpetuated by unenthusiastic councils. However, where those who had supported the idea of compelling local authorities to sell were constrained during the 1950s, the recently affirmed Conservative commitment to encouraging sales in an environment of greater demand enabled the supporters of compulsion to gain an increased influence over the policy debate. This campaign was emboldened by a groundswell of tenant anger against Labour restrictions. For example, Peter Shapely notes that when the Labour Party was re-elected to lead Manchester council in 1971, and the sale of council houses was stopped, tenants formed the ‘Council House Buyers Association’ and campaigned vigorously for a reinstatement of their right to buy.87

A key figure in the campaign to compel local authorities to sell their council homes was Harold Gurden. The Birmingham MP had tried to persuade the Conservative Government to provide all tenants with a right of purchase during the late 1950s, only to be rebuked by an unconvinced Party elite. During the 1960s Gurden was to become one of the first Conservative MPs to join The Monday Club – a right-wing group borne out of distaste for the moderation of the Macmillan government, and one which was to publish a paper in 1966 arguing that by compelling councils to sell their housing stock the Conservatives could destroy British socialism.88 By the early 1970s Gurden’s commitment to
the widespread sale of council houses had not faded, and in January 1972 he tabled a Private Members Bill in Parliament which proposed ‘to extend to the tenants of dwellings owned by local authorities and other housing bodies the right to acquire the ownership or leasehold of their home.’ In presenting the bill to the Commons, Gurden described it as seeking to “denationalize” family homes. He expressed frustration that while some local authorities unenthusiastically undertook sales, many refused to do so at all. Gurden argued that sales could be justified on the grounds that by buying their homes working-class families would be able to insure themselves against rising rents; the ‘pride of ownership’ could overcome urban deterioration; and private ownership would increase labour mobility.

Where Gurden had previously remained on the fringes of the Party’s housing discourse, his push for compulsion had significant influence in 1972. In April, Walter Ulrich, under-Secretary to Peter Walker at the Department of the Environment, wrote a note which described the ‘mounting pressure for something further to be done by the Government to stimulate council house sales.’ Ulrich noted that there had been a marked increase in ‘Ministerial and official correspondence emanating from tenants wishing to buy.’ While Ulrich was unable to accurately say how many people would willingly buy their homes, he was confident that the potential was considerable given that a 1968 survey had indicated that some 400,000 tenants were in a position to buy on the private market. Compulsion had become an increasingly attractive policy option, and where Gurden had only managed to gain the support of like-minded backbenchers in 1959, by 1972 his influence on policy formation was significant – even garnering the support of ‘consensual’ Tory grandees such as Quintin Hogg.

Following the advice provided by Ulrich, Walker took the case for more pro-active sales policy to the Cabinet, citing the significant recent growth in council house purchases and the ongoing reluctance of many councils (‘not all of them Labour controlled’) to sell. Walker argued that demand for purchase was likely to increase, especially after the rent increases in the upcoming Housing Finance Bill which were to shift housing subsidies from more affluent council tenants to poorer tenants in both the public and private sector. However if this demand for owner-occupation was to move into the existing private market it would push up house prices. Therefore, increased council-house sales would serve ‘to bring supply more quickly into line with demand.’ Yet to ‘curtail the freedom of local authorities’ would antagonize councils at a time in which Walker was simultaneously attempting to implement the Housing Finance Bill and a Local Government Bill. The latter was a radical reorganisation of the structure of local government which abolished many small and historic local authorities in the name of rationalization and efficiency. The Cabinet noted that measures of
compulsion would arouse ‘considerable resentment’ at a time in which the co-operation of local
government was needed, and so the Prime Minister decided that the furthest extent of possible action
at that time would be to issue ‘a strongly worded circular’ in an attempt to encourage more sales. However, in planning for the 1974 election the Party resolved to provide all council
 tenants with a right to buy on re-election. As a member of the housing policy manifesto group Clive
 Landa, the Greater London area Young Conservatives Chairman, stressed the need to “shake out”
some of the large council estates, and John Stanley of the CRD expressed the view that the Labour
Party had ‘statutorily prevented sales’ and therefore the Conservative Party should do the opposite.
Though some members of the policy-group remained concerned about the wisdom of imposing such
a policy on local authorities, their worries were now marginalised. On 18 January 1974, in the second
contingency manifesto draft, the policy of compulsion was first included. Referring to the restrictions
of Labour councils to sales, the draft stated that:

To overcome this obstacle we shall ensure that, in future, council tenants are able, as of right, to buy
on reasonable terms the house or flat in which they live.

Despite opposition from the Prime Minister’s political secretary, Douglas Hurd, who felt that the
scheme was of ‘doubtful political value,’ the statutory right of purchase made its way into the final
draft of the manifesto. The idea of forcing local authorities to sell their properties, which had been
resisted just over a decade earlier, was now acceptable and attractive to the Conservative Cabinet. The
parameters of consensus (in this case local authority prerogative and concern not to erode the stock
of council houses) had faded rapidly once a new set of electoral possibilities had emerged. If not for
the contingencies of governance, specifically the desire to not cause frictions which might de-rail the
government’s established legislative programme, a ‘right to buy’ policy may have been implemented as
early as 1972.

It is also important to note the broader change in the attitude of the Tory leadership to local
government at this time. Ken Young has argued that in the immediate post-war decades the Party had
valued, and politically dominated, the institutions of local governance. Many senior Tories (e.g. Henry
Brooke) had extensive experience of local politics and accepted its structure and relationship with
Whitehall as fixed. Yet in the decade between abolition of the London authorities in 1963 (which had
led to the creation of the Greater London Council as an attempt to both improve Conservative
electoral fortunes and administration in the capital) and the Local Government Act in 1972, ‘the
balance between central control and local autonomy was ruptured’. Contemporary ideals of
'modernisation' and ‘rationalisation’ were the driving force behind Walker’s radical reforms in 1972, in which hundreds of small district authorities were merged. The Heath government was clearly far less deferential to the established autonomy and institutional norms of local government than its 1950s predecessors, and thus the idea of imposing sales on local authorities was likely deemed less radical in this context.101

Following the loss of the February election, the responsibility for formulating the Party’s housing policy fell to a policy group under the leadership of the newly appointed Shadow Environment Secretary – Margaret Thatcher. Encouraged by the re-imposition of Labour restrictions which had reduced the number of sales dramatically, this group did not challenge the notion of a right to buy, instead focusing its energies on determining how to value council properties, and debating the size of discounts which could be offered.102 When the group presented its findings to in late July Peter Walker spoke strongly in favour of cheaply selling council properties as an ‘imaginative’ policy which might win over a million Labour votes. However, there was a concern within the committee that a cheap divesture of houses might anger existing homeowners who had paid full price for their properties. Furthermore, if council houses were disposed of too cheaply there was a danger that private owners on nearby estates ‘might lose on the capital value’ of their homes. Thatcher expressed trepidation that highly-discounted council house sales would endanger the Party’s traditional vote – ‘our people.’103 This concern constrained the idea of a large discount, and though the manifesto for the October election was to stress more vigorously the Party’s commitment to a statutory right of purchase in the face of ‘partisan’ councils, the manifesto promised a discount of no more than one third.104

V

By the end of 1974 the commitment to a statutory ‘right to buy’ was firmly established as a Conservative Party policy. In the following years it gained a new impetus as it became co-opted into a broader Tory emphasis on the need to significantly reducing public expenditure. Concerns for the increasing cost of council-house construction, upkeep, and subsidies was not entirely new. The Heath Tory Government had attempted to cut housing costs in the 1972 Housing Finance Act by placing council rents on a ‘free-market basis’ and abandoning subsidies for ‘affluent’ tenants. It was intended that this rent-increase would encourage tenants to become home-owners by making mortgages more attractive.105 However, with the onset of economic turmoil of the mid-1970s and the rapid increase in the public sector borrowing requirement, the need for reductions in public expenditure became more pressing.106
At the first meeting of a newly formed ‘Home Ownership and Construction Industry Policy Group’ (HCPG) in June 1975 it was agreed that the cost of new council home provision was becoming ‘increasingly prohibitive.’ The extension of home ownership was a solution to this problem as owner-occupiers were ‘prepared to devote a larger proportion of their income to housing than council tenants.’ In a draft report the group emphasised that permanent subsidies for new council houses were more expensive than tax relief on mortgage interest. In October 1975, the ex-Environment Minister Peter Walker, published an appeal for the mass disposal of council properties. Writing in the Municipal Journal, Walker suggested a radical idea which went much further than had been previously proposed – to give long-standing tenants their council homes. The MP for Worcester, who had co-founded the well-known financial firm Slater Walker in 1964, argued his case in almost purely financial terms. He stated that the cost of supervision, management, repairs and maintenance of council properties equalled £427 million per year. If, he explained, every council tenant was given their home, the cost to the government would be a mere £172 million – ‘less than one-quarter of the cost of the increase in local government salaries’ likely to take place that year. The existing system, he argued, created ‘a continuous burden of high taxes and rates upon existing owner-occupiers.’ When invited to the HCPG in March 1976, Walker was congratulated on the way in which his proposed scheme was able to overcome local council opposition and ‘officially inspired bureaucratic details’ – yet the group felt that the response of existing home owners would make the scheme politically impossible. A ‘Housing Finance Policy Group’ (HFPG) under the leadership of the Party’s Environment spokesman, Timothy Raison, also agreed that Walker’s scheme was too radical. However, the underlying principles which guided both groups’ attitudes to sales were highly influenced by the desire to undertake ‘a significant reduction in public expenditure on housing.’ That is not to say that the ideas of expanding property ownership did not remain core to Conservative thinking (the HFG report referred to the scheme as achieving an irreversible ‘massive transfer of power and wealth’ from the State to the individual, likened to Henry VIII’s monastic land dispersals) – it was merely given a new financial impetus.

Nigel Lawson, in a paper for the ‘Public Sector Policy Group’ in March 1976, most cogently summarized the changed focus of Conservative housing policy. Noting that in the five years prior to 1976-77 public expenditure on housing had increased by 107 per cent, Lawson argued that housing offered ‘unique scope for really massive public expenditure cuts.’ Housing was a particularly convenient target for spending reductions because there was a well-developed private sector alternative, and was unlikely to impact on employment. Lawson estimated that gross receipts from
sales of over £1,000 million a year. A short CRD paper produced by an unnamed author later that month insisted that:

Man does not live by public expenditure cuts alone. If we are to put before the public the need to restrain Government spending very severely, there is a particular need to relieve the gloom by advocating a really aggressive strategy to expand home ownership.

Against this background, the HFPG and the HCPG focused on shaping the policy specifics which were to eventually define the ‘Right to Buy’ scheme. Having rejected the discount of one third which had been proposed in 1974 as ‘in no way a bargain’, the HFPG set about attempting to formulate a ‘simple’ and ‘financially viable’ scheme ‘which did not have a wide differential between rent and mortgage repayments.’ The HCPG produced its final proposals in May 1976, arguing for a third off the market price after three years tenancy, with a one per cent increase in discount per year up to a maximum of fifty percent. This discount structure was accepted as the most effective means of encouraging a mass disposal of properties which would not anger existing home-owners, and was implemented in the final ‘Right to Buy’ legislation in 1980. When, in June 1978, Michael Heseltine (Shadow Industry Secretary, later to become the Environment Secretary) was given the responsibility of conducting a ‘National Housing Campaign,’ the principle, purpose, and structure of the ‘Right to Buy’ policy had already been fully formed.

VI

The idea of a mass sale of council houses was borne out of opposition to the Labour public-ownership principle that drove housing policy immediately after 1945. The Conservative commitment to building a ‘property-owning democracy’ appeared to justify sales, yet the idea of providing a statutory right of purchase for sitting tenants at a discount was constrained by an unwillingness to challenge the practices of local-authorities due to a lack of public demand. It was not until the late-1960s that party elites saw the idea of a mass disposal of properties as an attractive and tenable policy option. The Tory commitment to providing council-tenants with a right to purchase their home at a discount was largely established by 1974, prior to Margaret Thatcher’s leadership election. It gained a further impetus after the onset of economic crisis in the mid-1970s as a useful means to reduce public expenditure.

The ascent of ‘Right to Buy’ was a function of socio-economic changes during the post-war decades in which increasingly affluent working-class council-tenants sought to buy their own homes, which in
turn undermined the foundations on which the mass provision of council housing was built. These social and economic dynamics, operating within the specific context of the British housing market, were transmitted through the already existing ideological-preferences and policy ideas of activists within the Conservative Party who had sought to radically reduce the size and scope of public housing in Britain since the war. The Thatcher government’s break with the principles of post-war municipal public housing provision had its intellectual and conceptual roots in the ideals of the post-war Conservative housing discourse, yet the adoption of the ‘Right to Buy’ was contingent on the context of a changing Britain in the three decades after 1945.

It is therefore reiterated in this article that the notion of Thatcherism as a radical ideological break with post-war Conservatism is false and simplistic. Furthermore, it suggests that the post-1979 Thatcher government inherited a political situation in which the economic and social underpinnings of the post-war ‘consensus’ policy norms had melted away, creating the opportunity to pursue Conservative ends with a significantly improved chance of political success.

Notes

2 Hanley, Estates, 137–38; Hanley, ‘The Wrong Housing Right’.
3 For example see Pickles, ‘Aspiration, Aspiration, Aspiration’; Green, Thatcher, 20.
4 Jackson and Saunders, Making Thatcher’s Britain, 17–19; Green, ‘Thatcherism’; Vinen, Thatcher’s Britain; Evans, Thatcher and Thatcherism; Clarke, ‘Rise and Fall’.
5 Gilmour, Dancing with Dogma.
6 Green, Thatcher, 53.
7 Francis, ‘A Crusade to Enfranchise the Many’; Evans, ‘Margaret Thatcher and One Nation Conservatism’.
8 Green, Thatcher, 24.
10 Kavanagh and Morris, Consensus Politics, 13.
11 Jones, ‘This is Magnificent!’ 100-1.
13 Jones, ‘This is Magnificent!’ 101-2; Weiler, ‘Grand Design for Housing’, 122.
14 Jones, ‘This is Magnificent!’ 105-9.
15 Skelton, Constructive Conservatism.
18 The Campaign for a ‘property-owning democracy’ also sought to resist demands for nationalization through increased share-ownership in business and industry, see Francis, ‘A Crusade to Enfranchise the Many’.
19 CPA: CRD 2/23/7, Conservative Political Centre, ‘What do we Think…about Property Owning Democracy.’
20 Ibid.
23 Ibid., 122.
24 Ibid., 125.
26 Jones, ‘This is Magnificent!’”, 117; Weiler, ‘Middle Way’, 369.
27 Ibid., 136.
28 Ibid., 20.
29 Ibid., 10.
36 Jones, ‘This is Magnificent!’”, 105.
37 CPA: CRD 2/23/6, Minutes of the Party Committee on Housing Policy, 29 November 1948.
38 Ibid.
40 Weiler, ‘The Conservatives’ Search for a Middle Way’.
41 CPA: ACP 3/3, ACP (53) 23, Michael Fraser, ‘The Ownership of Property’, ACP (53) 23, 1 May 1953; Jones, ‘This is Magnificent!’”, 105.
46 Duncan Sandys, 19 July 1955, Parliamentary Debates, Commons, 5th ser., vol. 544, col. 204.
52 CPA: CRD 2/23/13, Minutes of the Housing, Local Government and Works Committee, 1 July 1959.
54 Ibid.
56 Merrett and Gray, *Owner Occupation in Britain*, 120.
60 Carter, ‘From Slums to Slums’, 14.
64 Bassett, ‘Sale of Council Houses’, 303 –304; See also – Donoughue, *Downing Street Diary*, 6; Field, *Do We Need Council Houses?*
67 Ibid.
76 Ibid, 12.
77 Hamnett, *Winners and Losers*, 57-8.
82 Jones, ‘Slum Clearance, Privatization and Residualization’, 515.
83 Carter, ‘From Slums to Slums’, 22.
84 Pierson, *Dismantling the Welfare State*, 45.
85 Malpass & Murie, *Housing Policy and Practice*, 58.
86 Ravetz, *Council Housing and Culture*, 127.
90 Ibid.
93 Campbell, Heath, 378.
95 Campbell, Heath, 379-80.
96 TNA: CAB 128/50/24, Conclusions of a Meeting of the Cabinet, 27 April 1972.
100 Ibid., 442-3.
101 Ibid., 442-3.
103 CPA: SC 12, LSC/74/16, Minutes of Steering Committee. 25 July 1974; Green, Thatcher, 20.
105 Forrest and Murie, Selling the Welfare State, 29; Merrett, State Housing in Britain, 261.
106 Westaway, ‘Stabilisation Policy and Fiscal Reform’, Figs. 1.4, 1.6.
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