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The responses of labour-controlled London local authorities to major changes in housing policy, 1971-1983

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MICHAEL PASSMORE

**THE RESPONSES OF LABOUR-CONTROLLED
LONDON LOCAL AUTHORITIES TO MAJOR CHANGES
IN HOUSING POLICY, 1971-1983**

**Thesis submitted for the Degree of Doctor of Philosophy in
Contemporary British History**

KING'S COLLEGE LONDON

2015

ABSTRACT

This thesis explores the relationship between town halls and Conservative governments over two policy changes which reduced local autonomy: the Housing Finance Act 1972 imposed rent increases on council housing, and the 1980 Housing Act gave tenants the Right to Buy. The literature on local authority resistance concentrates on high-profile battles between government ministers and Clay Cross and Norwich councils, but the coverage of London boroughs is sparse, except for that on Camden's defiance in 1972. This thesis aims to assess the responses of eight Labour-controlled boroughs in the capital to the controversial legislation, including Greenwich, targeted by government ministers for being especially 'difficult' over the Right to Buy. The thesis examines the extent to which Labour-controlled local authorities sought to resist the government measures, their strategies and the outcomes; splits in Labour groups over implementation and any differences between 1972 and 1980. Attention is paid to the role of local Conservatives in the controversies. The thesis relies on minutes of council meetings and reports in local newspapers, supplemented by some oral interviews.

It was recognised in 1972 that for resistance to be effective, Labour authorities needed to agree a common strategy, but attempts to do so failed. While councillors increasingly feared incurring legal sanctions, the Parliamentary Labour Party urged them to accept a compromise which could lessen the rent increases. Camden rebelled for several months, despite a serious split among Labour councillors, and only complied when ministers made their position financially untenable. Labour groups remained more united over implementing the Right to Buy scheme as they had other priorities and could delay or frustrate individual sales. The boroughs did the minimum necessary to operate the government scheme and resisted pressure from ministers over their performance. After initially refusing to implement the 1980 legislation, Greenwich subsequently survived threats of intervention through negotiation. Overall this thesis demonstrates that there was resistance among the boroughs studied to both policy changes which encroached upon their autonomy, but that the political battles were mainly fought on housing issues with Conservative councillors invariably supporting their party in government.

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MAP OF LONDON BOROUGHES



INNER LONDON EDUCATION AUTHORITY (ILEA) BOUNDARY

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ABBREVIATIONS

AMC	Association of Municipal Corporations (superseded by AMA)
AMA	Association of Metropolitan Authorities (replaced AMC in 1974)
<i>CJ</i>	<i>Camden Journal</i>
CLP	Constituency Labour Party
DoE	Department of the Environment
DV	District Valuer
GLC	Greater London Council
<i>HG</i>	<i>Hackney Gazette</i>
<i>HHE</i>	<i>Hampstead and Highgate Express</i>
HIPs	Housing Investment Programme
<i>IG</i>	<i>Islington Gazette</i>
<i>KI</i>	<i>Kentish Independent</i>
LBA	London Boroughs Association
LBB	London Borough of Brent
LBC	London Borough of Camden
LBG	London Borough of Greenwich
LBH	London Borough of Hackney
LBI	London Borough of Islington
LBL	London Borough of Lambeth
LBN	London Borough of Newham
LBS	London Borough of Southwark
LCC	London County Council
<i>LGC</i>	<i>Local Government Chronicle</i>
NEC	National Executive Committee (Labour Party)
<i>NR</i>	<i>Newham Recorder</i>
P and R	Policy and Resources (Committee)
PLP	Parliamentary Labour Party
RTB1 form	Served by tenant on the council seeking to buy
RTB2 form	Served by council in response to tenant's application
Section10 notice	Served by council on tenant specifying price and sale/lease terms
<i>SELKM</i>	<i>South East London and Kentish Mercury</i>
<i>SLP</i>	<i>South London Press</i>
<i>WBC</i>	<i>Willesden and Brent Chronicle</i>

SOME DEFINITIONS

constitutional view / approach	The acceptance of the implications of parliamentary sovereignty and the constraints and duties that it imposed on local councillors.
dissenters	Labour councillors who dissented from a group's policy of defying the government over the 1972 and 1980 legislation.
far left	The revolutionary, usually Trotskyist, ideological position of politicians such as Ted Knight.
full council	The assembly for all council members, where final decisions were made. Customarily most debate took place in committees.
Labour/SDP/ Conservative group	The organisation of councillors of a political party in a town hall having a leader and whips.
hard left	The non-revolutionary socialist position of politicians such as Tony Benn, as it evolved during the 1970s. Personified by Ken Livingstone.
house(s)	Includes flat(s) unless specifically stated.
Labourism	The pragmatic tradition in the Labour Party which was prepared to work within the existing order to improve the conditions of the working class.
leadership (plural)	The leader, deputy and chairs of the main committees principally involved in initiating policy and defining strategy of group or council.
new municipal left	A loose alliance of new-left politicians originating in the 1970s with activists dissatisfied with established Labour groups.
Newcastle amendment	A facility in the Housing Finance Act for local authorities to apply to the Environment Secretary for abatement in the initial mandatory rent increase.
rebels	Labour councillors who adhered to a hard line in their opposition to implementation and were prepared to defy the law.
soft left	The ideological position developed by the left in the Parliamentary Labour Party from 1945, and particularly associated with the Tribune Group. Widespread in London local government in the 1970s and 80s.
Whitehall	Senior civil servants in the ministry/department responsible for housing acting under the direct supervision of the Minister or Secretary of State.

INTRODUCTION

The last quarter of the twentieth century witnessed political trends which had a profound effect on the status of local authorities and a serious impact on council housing that has contributed to the ‘residualisation’ of the sector.¹ There were sporadic inroads into the partial autonomy of local authorities earlier in the century, such as the establishment of the centralised National Health Service by the post-war Labour government. But decision-making became progressively concentrated in Whitehall following the election of the first Thatcher Government in 1979.² The tendency continued, and under successive Conservative and New Labour governments the discretion of local authorities over their policies was further reduced. In 1996 Martin Loughlin described the post-1979 reforms as, ‘a sustained attack on the modern institution of local government’ which had altered its basic character.³ Commenting more recently on the phenomenon, Anthony King dramatically stated that it has resulted in local government becoming ‘a pale shadow of its former self’.⁴ The role of council housing was diminished as governments reduced the freedom that local authorities previously enjoyed over the detailed application of policy, particularly the ‘Right to Buy’ scheme, the transfer of estates to other agencies and restrictions imposed on building new council houses.⁵ The result of these changes has been a reduction in the size of the housing stock in public ownership since the early 1980s.

National housing policy was a major political issue for 40 years from the end of the Second World War.⁶ Council housing was contentious because there was never a consensus on policy between the Conservative and Labour parties, although there were working arrangements between governments and local authorities of different political

¹ Peter Malpass and Alan Murie, *Housing Policy and Practice*, 5th edn (Basingstoke: Palgrave, 1999) pp. 124–5; Alan Murie, ‘Rethinking Planning and Housing’ in Gerry Stoker and David Wilson (eds.), *British Local Government into the 21st Century* (Basingstoke: Palgrave Macmillan, 2004) pp. 135–40. Also see: Ben Jones, ‘Slum Clearance, Privatization and Residualization: The Practices and Politics of Council Housing in Mid-twentieth-century England’, *Twentieth Century British History*, vol. 21, no. 4 (2010).

² Some academics have preferred the term ‘local discretion’ in recognition that the use of ‘autonomy’ is problematic in the context of British local authorities: see R. A. W. Rhodes, *Control and Power in Central–Local Government Relations* (Aldershot: Gower, 1981).

³ Martin Loughlin, *Legality and Locality: The Role of Law in Central–Local Government Relations* (Oxford: Clarendon Press, 1996) p. 123. Also: Ken Young and Nirmala Rao, *Local Government Since 1945* (Oxford: Blackwell, 1997) 265–99; Martin Loughlin, ‘The Demise of Local Government’ in Vernon Bogdanor (ed.), *The British Constitution in the Twentieth Century* (Oxford: Oxford University Press, 2003). For a different perspective on centralisation, see: Hugh Atkinson and Stuart Wilks-Heeg, *Local Government from Thatcher to Blair: The Politics of Creative Autonomy* (Cambridge: Polity Press, 2000) pp. 55–81.

⁴ Anthony King, *The British Constitution* (Oxford: 2007) p. 151. For commentary on why governments were able to reduce the powers of local authorities without mass protests, see: Vernon Bogdanor, *The New British Constitution* (Oxford: Hart Publishing, 2009) pp. 237–42.

⁵ The term ‘houses’ includes ‘flats’ in this thesis, unless specifically stated.

⁶ M. J. Daunton, *A Property-Owning Democracy? Housing in Britain* (London: Faber and Faber, 1987) p. ix.

affiliations.⁷ From 1971, when the general direction of the Conservatives' policy moved away from council house construction to financial issues, the aims of the two parties diverged sharply. The Heath Government's controversial Housing Finance Act, which compelled councils to adopt a national system of 'fair rents', was repealed by Labour in 1974. With the squeeze on public expenditure following the oil shocks of the 1970s, new public house-building was particularly affected as a capital intensive activity: council housing became a prime target for attack, including the Thatcher Government's first privatisation measure in the form of the Right to Buy.⁸ As a result of these controversial policy changes, which required councils to increase their housing rents and sell houses, there were moves against compliance by some Labour authorities. Yet a settlement on housing policy was reached in 1997 when New Labour adopted much of the Thatcherite agenda.⁹

This thesis examines the relations between eight London boroughs and the governments of Edward Heath and Margaret Thatcher over the implementation of controversial housing legislation and explores the challenges for the Labour councillors involved. The specific legislation was the Housing Finance Act 1972, which introduced mandatory rent increases for council housing, and the Housing Act 1980, which compelled local authorities to sell houses and flats to tenants wishing to buy. There was extraordinary opposition by Labour councillors to implementation of the government's policies. Although the strong action that Whitehall took against prominent 'offenders' outside the capital is well documented in the literature, there was also some resistance among London boroughs to the policy changes.

The main aims of this thesis are to investigate the following questions relating to the responses of the eight boroughs to the introduction of the controversial legislation of 1972 and 1980: the extent to which Labour-controlled local authorities sought to resist or frustrate the implementation of these measures; the strategies and tactics they adopted over defiance or compliance, and the extent to which they achieved their aims; the

⁷ Harriet Jones and Michael Kandiah (eds.) *The Myth of Consensus: New Views on British History, 1945–64* (Basingstoke: Macmillan, 1996); Peter Shapely, *The Politics of Housing: Power, Consumers and Urban Culture* (Manchester: Manchester University Press, 2007) p. 5.

⁸ David Parker, *The Official History of Privatisation*, Vol. 1, *The Formative Years 1970–1987* (London: Routledge, 2009) pp. 86–7.

⁹ Paul Balchin and Maureen Rhoden, *Housing Policy, An Introduction*, 4th edn (London: Routledge, 2002) pp. 201–2; Peter King, *A Conservative Consensus: Housing Policy Before 1997 and After* (Exeter: Imprint Academic, 2006) pp. 5–8.

nature of splits that occurred in town hall Labour groups¹⁰ over whether to defy the legislation, and the repercussions of these splits; and the different responses to the Right to Buy compared with the rents legislation eight years earlier. A subsidiary question is the role played by local Conservatives in exerting pressure on ‘recalcitrant’ councils.

I have not investigated events from the perspective of government ministers or civil servants; nor have I explored the activity of tenant organisations in opposing the legislation, or of individual tenants seeking to speed up sales under the Right to Buy. The exclusion of these issues does not mean that I consider them unimportant, but in designing the research as a study in municipal politics I considered it appropriate to concentrate on what took place at town hall level; space and time did not allow for more.

This introductory chapter is in five parts. There is an explanation of two high-profile battles with the Secretary of State over the legislation, followed by an outline of the constitutional position of local authorities and reasons for underlying tensions in central–local relationships. Some suggestions are put forward to explain why council housing proved to be vulnerable to political pressure, especially from the Thatcher Government. I then explain the criteria used to select the boroughs and the methods adopted in the use of source material. There follows an outline of the nature of London’s municipal housing and the importance of this legacy to senior Labour councillors in the 1970s. The final part of the chapter comprises a review of the literature specifically concerned with local authority responses to the two acts of parliament, and it identifies gaps which this thesis aims to fill.

0.1 TOWN HALL AND WHITEHALL

There were two high-profile battles with the Secretary of State over the contentious legislation: Clay Cross Urban District Council refused outright to implement the rent increases in 1972, and Norwich City Council was exceptionally slow in selling houses under the Right to Buy.¹¹ Although both authorities were outside London, the events in

¹⁰ In London the political parties represented on local authorities followed the widespread practice of being organised into groups.

¹¹ David Skinner and Julia Langdon, *The Story of Clay Cross* (Nottingham: Spokesman Books, 1974); Leslie Sklair, ‘The Struggle Against the Housing Finance Act’, *The Socialist Register 1975* (London: 1975); Peter Malpass, ‘The road to Clay Cross’ in J. Goodwin and C. Grant (eds.) *Built to Last?* (London: Shelter/Roof Magazine, 1992); Ray Forrest and Alan Murie, *An Unreasonable Act? Central-Local Government Conflict and the Housing Act, 1980* (Bristol: University of Bristol, 1985).

which they were involved are useful to this study as they are well documented and can be compared with the way that some London boroughs sought to resist the Heath and Thatcher governments. Clay Cross was unique in that its councillors not only stuck to a resolution refusing to implement the 'fair rents' legislation in 1971, but physically obstructed the Secretary of State's housing commissioner when appointed. During a tumultuous episode which lasted more than two years, the council prevented the collection of the rent increases. In the consciousness of some on the left in British politics the stand taken by the Clay Cross rebels has attained the near-mythical status accorded to George Lansbury and the Poplar councillors involved in the borough's rates rebellion of 1921.¹² But others have criticised the way that the Labour group in the small Derbyshire authority conducted the council's affairs. The maverick leadership of the Council failed to accept a diversity of views within the Labour group or to allow its officers to give impartial advice which was at variance with its policies without censure.¹³ Norwich had a Labour group with a very different outlook. Unlike in Clay Cross some eight years earlier, the leadership in Norwich always maintained that they were not refusing to implement the legislation, they were simply not treating it as a high priority.¹⁴ When Whitehall took over the direct running of the sales scheme, Norwich allowed its staff to cooperate fully with the civil servants involved. From these examples it can be seen that there were two sets of relationships involved – the government and a local authority and the Conservative and Labour parties – and so the disputes over implementation of policy were both party political and struggles over local autonomy.

I considered that London boroughs were suitable for study because, being constituted on similar lines in 1964–5, they were unaffected by the local government reorganisation of 1972, and thus comparisons between their activities in that year and in 1980 were straightforward. There were two examples of Labour groups mounting substantial resistance to the legislation: Camden over the Housing Finance Act and Greenwich over the implementation of the Right to Buy. Camden defied the government, but eventually complied with the legislation; Greenwich was probably at

¹² Noreen Branson, *Poplarism, 1919–1925: George Lansbury and the Councillors' Revolt* (London: Lawrence & Wishart, 1979); Janine Booth, *Guilty and Proud of It! Poplar's Rebel Councillors and Guardians, 1919–25* (Pontypool: Merlin Press, 2009).

¹³ Paul Harrison, 'The Other Election', *New Society*, 14 February, 1974; Austin Mitchell, 'Clay Cross', *Political Quarterly*, 45, no. 2, 1974; Patrick Bell, *The Labour Party in Opposition, 1970–1974* (London: Routledge, 2004) pp. 64, 90.

¹⁴ Forrest and Alan Murie, *An Unreasonable Act? The Chairman of Norwich Housing Committee at the time was the historian, Patricia Hollis Eastern Daily News*, 7 January 1981, p. 5. She was council leader (1983–88) and later became Baroness Hollis of Heigham.

least as ‘recalcitrant’ as Norwich in selling houses. Another consideration was that I worked as an officer for two of the Labour-controlled boroughs in the 1970s and early 1980s – Hackney and Newham – and so had personal experience of the local political culture.

The ability of local councillors to make decisions

In the political battles that took place between Whitehall and the town halls, the government of the day was ultimately in a stronger position because of the constitutional status of local authorities in England and Wales in accordance with the principle of parliamentary sovereignty.¹⁵ The term often used by lawyers is that local councils are the ‘creations’, or, in archaic legal parlance, the ‘creatures’, of Parliament. Local authorities could only legally do what had been authorised by an Act of Parliament; if they contravened this principle, they would be acting outside their powers.¹⁶ Similarly, they could not lawfully refuse to undertake a duty which Parliament placed upon them. In serious circumstances of non-compliance, an aggrieved party might apply to the High Court for an order of ‘mandamus’ which would require the offending authority to conform, as occurred in 1921 when the London County Council (LCC) took such action against the Municipal Borough of Poplar for failing to pass on the county’s precept, that is its share of the rates.¹⁷

When discussing local authority opposition to government policy, Keith-Lucas and Richards make an important distinction between ‘cases where local councils defied statutory authority and those cases where they simply resisted strong government persuasion.’¹⁸ Although the principle of parliamentary sovereignty applied to legislation on the statute book, strictly local authorities were not subordinate to the *government* of the day except where Parliament expressly delegated powers to a government minister. There had been isolated instances of local authorities refusing to implement mandatory legislation. Because the legal authority of a government could only be exerted in these formal ways, constitutional lawyers made the important distinction between Parliament and central government. Writing in the mid-1960s, John Griffith argued that even the

¹⁵ G. W. Jones, ‘The Relationship Between Central and Local Government’, in Carol Harlow (ed.) *Public Law and Politics* (London: Sweet & Maxwell, 1986) p. 65. For recent commentary on the tenuous status of local authorities, see Bogdanor, *New British Constitution*, pp. 235–7.

¹⁶ Known as ‘ultra vires’.

¹⁷ B. Keith-Lucas, ‘Poplarism’, *Public Law* (1962) pp. 58–60; Jerry White, *London in the Twentieth Century: A City and Its People* (London: Viking, 2001) pp. 367–9.

¹⁸ Bryan Keith-Lucas and Peter G. Richards, *A History of Local Government in the Twentieth Century* (London: George Allen & Unwin, 1978) pp. 176–7.

use of the term ‘central control’ was only partly correct because the relationship between Whitehall and local authorities was complex and the influence was two-way.¹⁹ Martin Loughlin has expanded on this: ‘While power relations are invariably unequal, central departments and local authorities recognise that they are locked in a network of interdependency which requires a degree of mutual understanding, co-operation and compromise.’²⁰ George Jones and Tony Travers commented that, from the mid-1970s, ministers and civil servants nevertheless tended to overlook the distinction between government and Parliament. They were prone to adopt the mistaken view that ‘everything is not just under parliament but under government too: local government should not seek to frustrate what the government wants’.²¹

The Labour Party has customarily accepted the implications of parliamentary sovereignty and the constraints and duties that it imposes on local councillors, an approach which I refer to as the ‘constitutional view’. Hence, the Party’s leaders were embarrassed by the Poplar rates rebellion as it involved direct action.²² Herbert Morrison, who was the most influential local politician in London in the inter-war period, believed firmly in limiting opposition to the law to constitutional action.²³ In recognition of the status quo, Aneurin Bevan, the dominant figure on the left in the Parliamentary Labour Party (PLP) in the immediate post-war period, moved on from enduring the frustrations of a local authority to stand for Parliament where he believed that real power resided.²⁴

The Labour Party’s ‘respectable and conventional’ approach, as Henry Drucker has called it, of complying with statutes passed by Conservative governments was criticised by sceptics on the extra-parliamentary left.²⁵ A pragmatic reason for the constitutional view was that if Labour local authorities refused to implement Conservative legislation there would be grounds for Conservative authorities refusing to comply with legislation introduced by Labour governments that they particularly disliked. For instance, in the 1960s there was resistance from several local education

¹⁹ J. A. Griffith, *Central Departments and Local Authorities* (London: George Allen & Unwin, 1966) p. 18.

²⁰ Loughlin, *Legality and Locality*, p. 61.

²¹ George Jones and Tony Travers, ‘Central Government Perceptions of Local Government’ in Lawrence Pratchett and David Wilson (eds.) *Local Democracy and Local Government* (Basingstoke: Macmillan, 1996).

²² Branson, *Poplarism, 1919–1925*, pp. 54–5.

²³ Herbert Morrison, *Herbert Morrison: An Autobiography* (London: Odhams Press, 1960) pp. 86–8; Bernard Donoughue and G. W. Jones, *Herbert Morrison: Portrait of a Politician* (London: Weidenfeld & Nicolson, 1973) pp. 47–8.

²⁴ Michael Foot, *Aneurin Bevan: A Biography* (London: MacGibbon & Kee, 1962) p. 84.

²⁵ H. M. Drucker, *Doctrine and Ethos in the Labour Party* (London: George Allen & Unwin, 1979) p. 4; Ralph Miliband, *Parliamentary Socialism* (London: George Allen & Unwin, 1961).

authorities under Conservative control to the Wilson Government's requests to reorganise secondary education on the basis of comprehensive schools. In 1969 the government introduced a parliamentary bill to make it mandatory for every authority to submit a scheme along comprehensive lines, only for it to fall when the 1970 general election intervened.²⁶ A Labour government would have expected compliance, so the PLP was unwilling to support defiance of the law over the Heath Government's Housing Finance Act.

At the time the new London boroughs were formed in 1964–5, a considerable degree of discretion in decision-making over the application of housing policy was delegated to local councillors. They enjoyed extensive powers that were either outside the control of Whitehall or were only subject to limited supervision. Examples were: selection of tenants, admissibility to the waiting list, the subsidizing of the Housing Revenue Account from the rate fund, differential rent schemes, rent rebate schemes and rent fixing generally, and all other matters concerned with housing management.²⁷

Yet this measure of discretion was not afforded to house-building programmes where there was considerable Whitehall intervention in local authority choice.²⁸ In the opinion of Dame Evelyn Sharp, after long service as permanent secretary in the Housing Ministry, 'Except in relation to the number of houses they may build, local authorities probably enjoy in relation to housing greater independence of Whitehall and more freedom to develop their own policies than in any other major service.'²⁹

The two acts of Parliament which are the subject of this thesis, were not only controversial for introducing major policy changes, but also because they contained mandatory provisions in areas of housing practice where local authorities had previously enjoyed a high degree of autonomy. Local discretion over the fixing of rents went back to the early days of mass council house building following the First World War. So when the Housing Finance Bill was introduced in 1971, Parliament was changing the working arrangements with local councils that had existed for half a century. Local authorities were compelled to follow a strict timetable for increasing

²⁶ Mark Pattison, 'Intergovernmental Relations and the Limitations of Central Control: Reconstructing the Politics of Comprehensive Education', *Oxford Review of Education*, 6 (1980) pp. 63–89.

²⁷ Griffiths, *Central Departments and Local Authorities*, p. 237. The term 'fixing' was normally used for local authority rents, rather than 'assessment', probably because they were not based on the rental value. See for example Evelyn Sharp, *The Ministry of Housing and Local Government* (London: George Allen & Unwin, 1969) p. 74.

²⁸ Owen A. Hartley, 'The Relationship Between Central and Local Authorities', *Public Administration*, vol. 49, winter 1971.

²⁹ Sharp, *Ministry of Housing and Local Government*, p. 74.

rents by a pound a week annually until they reached the level of 'fair rents' in the private sector. As to the sale of council houses, before the 1980 legislation Conservative governments had done no more than urge local authorities to sell and provide advice on discounts on the price. It was perhaps the experience of the political battles with recalcitrant Labour councils over the Housing Finance Act that persuaded Conservative politicians to revise their attitude to local autonomy over council house sales and to enforce compliance with the 1980 legislation.³⁰ The Right to Buy scheme gave most council tenants the opportunity to purchase at a discount, regardless of the local authority's wishes, by placing on councils a positive 'duty to sell' with a strict timetable for dealing with applications.³¹ Both the 1972 and 1980 Acts contained exceptionally robust powers allowing the Secretary of State to intervene where a council was in default, because the government expected resistance from local authorities. The Environment Secretary arranged for his department to monitor progress on the Right to Buy scheme and became obsessed with statistics on progress so that Whitehall's 'formal scrutiny and pressure were pervasive'.³² Accordingly, the Heath Government removed local authority discretion over rent-setting and the Thatcher Government did likewise over council house sales. In view of the subordinate position of local authorities due to the constitutional principle of parliamentary sovereignty, it may seem surprising that Camden and Greenwich sought to defy the government over mandatory legislation.

Tensions in central–local relations

It was only on rare occasions that a local authority openly defied the government over complying with major legislation, so in the 1970s the rebellions in Poplar and Clay Cross were seen as exceptional. Keith-Lucas and Richards mentioned just two other such instances in their *History of Local Government*: Coventry and St Pancras which both refused to undertake their statutory civil defence duties in the 1950s, provoking the Home Secretary to appoint commissioners to act in default.³³ But Jeffrey Stanyer suggested that Poplar and Clay Cross were 'only the tip of the iceberg' and that conflicts between local authorities and Whitehall were more common.³⁴ They arose because of underlying tensions between the government of the day and local councillors.

³⁰ Stephanie Cooper, *Public Housing and Private Property: 1979–1984* (Aldershot: Gower, 1985) p. 30.

³¹ Ibid. p. 104.

³² Ray Forrest and Alan Murie, *Selling the Welfare State: The Privatisation of Public Housing* (London: Routledge, 1988) pp. 56–7, 200–1 and 207–8.

³³ Keith-Lucas and Richards, *History of Local Government*, pp. 176–7.

³⁴ Jeffrey Stanyer, *Understanding Local Government* (Oxford: Martin Robertson, 1976) p. 213.

A source of friction was the practice of setting national standards for providing services that were to varying degrees enforced by Whitehall. Before 1945 governments generally had the limited aims of achieving minimum standards for basic services and ensuring financial probity. With the post-war expansion of welfare provision, national policies for local services increased significantly and they were invariably accompanied by central supervision.³⁵ According to Ken Young and Nirmala Rao, Labour authorities accepted the loss of autonomy because, 'a new generation of councillors had been elected after the war, many of them all too happy to play a role as the local agents of a centrally directed social revolution. The habits of independence were being sapped.'³⁶

By the 1960s Whitehall had extended its remit to embrace an 'equalizing role'³⁷ in an attempt to achieve fairness between different areas of the country. The tendency was supported by public opinion which increasingly sought equality of treatment between different areas of the country, an expectation that may have been moulded by the national mass-media.³⁸ Thus centralism became 'the new orthodoxy'.³⁹

The tradition of channelling political expression through national parties was to lead to tensions between Whitehall and town halls because, being interdependent, they had to work closely together. It would follow that the successful party at a general election, with a manifesto commitment to a programme to be performed by local authorities, would expect their cooperation in implementing its policies.⁴⁰ But such endeavours could be a cause of friction where opposing parties were in power especially when there was a controversial shift in policy as was demonstrated over council house rents and sales in our period.

Both Conservative and Labour governments made modest attempts to loosen central control although there tended to be a discrepancy between the avowed intentions of ministers and what they did in practice. In 1958 the Conservative Government replaced many grants for specific purposes with a block grant, the idea being to give local authorities choice over how they spent the money.⁴¹ Nevertheless, governments

³⁵ Keith-Lucas and Richards, *History of Local Government*, pp. 166.

³⁶ Young and Rao, *Local Government Since 1945*, p. 129.

³⁷ Ibid. p. 130.

³⁸ Lord Redcliffe-Maud and Bruce Wood, *English Local Government Reformed* (Oxford: Oxford University Press, 1974) p. 135. More recently there has been a similar trend in public expectations in health services with widespread complaints about 'a post-code lottery'.

³⁹ Young and Rao, *Local Government Since 1945*, p. 130.

⁴⁰ Keith-Lucas and Richards, *History of Local Government*, p. 172.

⁴¹ The ensuing Labour government under Harold Wilson converted the block grant into the Rate Support Grant.

remained in a powerful position to influence local expenditure by adjusting the level of grant or by failing to increase it to take full account of annual inflation.⁴² In the 1960s and early 1970s Brian Smith and Jeffrey Stanyer noted that a government's relationship with local authorities was often seriously affected by external influences, particularly changes in the economic climate.⁴³ While initially the Wilson Government stated that it aimed to reduce Whitehall control and influence, the introduction of a prices and incomes policy had a restrictive effect on authorities (mainly Conservative-controlled) seeking to raise rents of council houses.⁴⁴ Later the same government continued to control rents when its prices and incomes legislation lapsed; it also made savage cuts in the funds allocated for local authority mortgage loans.⁴⁵

In 1970 local authorities' hopes were raised by ministers in the incoming Heath Government announcing that they would repeal as many statutory controls as possible after consulting the local authority associations.⁴⁶ Despite some controls being quashed, these were of little significance; instead Labour politicians complained that there appeared to be an increase in central direction.⁴⁷ They found two new interventions in local autonomy during 1971-72 particularly obnoxious: the ban on local education authorities providing free milk to older primary school children⁴⁸ and the housing finance legislation, which is a subject of this thesis.

Most of the underlying tensions between town halls and Whitehall arose either directly or indirectly over finance, especially the level of government grants and successive governments' application of macro-economic policies, both Keynesian and, increasingly, monetarist. Money matters were a source of friction because government grants increased steadily in the post-war years to fund a sustained growth in public services administered by local authorities. As this expansion – especially in housing and education – was costly in capital and revenue expenditure, governments periodically reviewed their policies with the aim of either expanding these services or restricting their growth.⁴⁹ The period of the Labour administration in the 1960s saw an enormous

⁴² Tony Byrne, *Local Government in Britain: Everyone's Guide to How it all Works*, 4th edn (Harmondsworth: Penguin Books, 1986) pp. 235–6.

⁴³ Smith, B.C. and J. Stanyer, 'Administrative Developments in 1971 and 1972: A Survey', *Public Administration*, vol. 51 (1973) p. 393.

⁴⁴ See Chapter Two.

⁴⁵ Smith, B.C. and J. Stanyer, 'Administrative Developments in 1969: A Survey', *Public Administration*, vol. 48 (1970) pp. 338–40.

⁴⁶ Redcliffe-Maud and Wood, *English Local Government Reformed*, p. 134.

⁴⁷ Smith and Stanyer, 'Administrative Developments in 1971 and 1972', pp 393–4.

⁴⁸ See Chapter Three.

⁴⁹ Young and Rao, *Local Government Since 1945*, p. 148.

expansion. By the mid-1970s grants to local services were the largest item of Whitehall expenditure and provided over half of total local council income.⁵⁰ The introduction of a succession of new government initiatives led to a significant increase in central control. Ministers were keen to obtain results in pursuit of their policies and in doing so became less scrupulous in observing the niceties of local discretion.⁵¹

The reliance of local authorities on central funding arose because there was a serious mismatch between the capacity of town halls to raise money locally and the duties imposed on them.⁵² Local councillors had a limited range of local sources of income, the primary one being the rates. Unfortunately these were a tax on property which was only re-valued infrequently at the instigation of central government, so the income from rates did not automatically keep pace with inflation, a particularly acute problem for much of our period especially the 1970s. Each authority had to fix the rate in the pound annually and unlike income tax, which was deducted at source, the rates were collected by issuing bills. For these reasons they were particularly unpopular with the public.

Following the oil shocks of the mid-1970s, the Labour Government adopted a more cautious approach to growth in the public sector. Meanwhile, the emerging monetarists in the Conservative party radically re-thought their approach to providing welfare services and ‘turned their backs on the spirit of 1945.’⁵³ The trend led to the Thatcher Government acting quickly to reform the financing of local government on radical lines. What amounted to an attack on the size of local government led to a long-running struggle with Labour-controlled councils over cutbacks in grants to local authorities and limits placed on increases in local rates. Some sought to spend more than the government’s tight estimates leading to battles between Environment Secretary, Michael Heseltine, and Labour councils among which Inner London boroughs were deeply involved.⁵⁴ By the mid-1980s, the Thatcher government’s practice of directing local authorities on the level of rates increases led to rate-capping. The Conservatives had been investigating alternatives to the rates for several years – Margaret Thatcher

⁵⁰ Kenneth Newton, ‘Central Government Grants, Territorial Justice and Local Democracy in Post-War Britain’, in Douglas E. Ashford (ed.), *Financing Urban Government in the Welfare State* (London: Croom Helm, 1980) p. 97.

⁵¹ Young and Rao, *Local Government Since 1945*, p. 149.

⁵² Newton, ‘Central Government Grants’, p. 100.

⁵³ Young and Rao, *Local Government Since 1945*, p. 149.

⁵⁴ Ibid. pp. 248–9.

was particularly hostile to this form of taxation – and in 1990 the government introduced the ill-fated Community Charge or Poll Tax.⁵⁵

0.2 VULNERABILITY OF COUNCIL HOUSING TO POLITICAL PRESSURE

Despite the substantial financial support by both Labour and Conservative governments for building municipal housing over three decades from 1945, it is doubtful whether the sector was ever wholly part of the welfare state. It is significant that Alison Ravetz uses the term ‘experiment’ in relation to the historical position of council housing, suggesting a degree of impermanence. It is the same word that Marian Bowley employed almost half a century earlier when reviewing ‘three experiments in state intervention’ before the Attlee Government’s reforms which were widely seen as forming the welfare state.⁵⁶ From the 1920s until the advent of New Labour there was no consensus between the two major parties on the role of councils in building housing. For much of this period national Labour politicians tended to talk in favour of councils providing houses and flats for ‘general needs’ whereas the Conservatives always preferred market solutions where feasible and remained consistent in their preference for private ownership.⁵⁷ Conservative politicians viewed council housing pragmatically as being an emergency or exceptional solution where the private sector could not provide rented accommodation adequately, such as following the two world wars and in redeveloping the slums. In contrast Labour politicians frequently argued that council housing should be treated as a social service.⁵⁸ Nevertheless, Labour governments tended to approach housing differently from their interventions in health, education and unemployment.

Although Labour governments periodically adjusted their policies towards council housing, they failed to undertake a thorough reform, thus leaving the sector vulnerable to attack from its opponents. Crucially, Labour did not address serious anomalies in the level of council house rents during the late 1960s which might have prevented the Heath Government’s introducing the ‘fair rents’ legislation. When

⁵⁵ D. Butler, A. Adonis and T. Travers, *Failure in British Government: The Politics of the Poll Tax* (Oxford: Oxford University Press, 1994).

⁵⁶ Marian Bowley, *Housing and the State: 1919–1944* (London: George Allen & Unwin, 1945); Alison Ravetz, *Council Housing and Culture: The History of a Social Experiment* (London: Routledge, 2001).

⁵⁷ Jones and Kandiah, *Myth of Consensus*; Shapely, *Politics of Housing*, pp. 4–5.

⁵⁸ In the early 1960s, a housing specialist discussing the subject as a major social issue seems to imply that housing was widely treated as a social service: Stanley Alderson, *Britain in the Sixties: Housing* (Harmondsworth: Penguin, 1962) p. 9.

returned to power in 1974, although Labour repealed the controversial parts of the Housing Finance Act, it failed to go further by reforming housing policy. Despite conducting a long-running review, its 1977 Green Paper did little more than confirm the status quo and left municipal housing in a vulnerable position.⁵⁹

The Labour Government elected in 1945 may have had certain visions of New Jerusalem, but these do not appear to have embraced housing as becoming fully part of a new 'social service state' in the way it perceived health, education and social security.⁶⁰ As an economist who worked in Harold Wilson's policy unit in the 1970s has suggested, 'It is arguable whether council housing was ever fully conceived as an integral part of the welfare state.'⁶¹ This view is corroborated by Peter Malpass who explains that during the Second World War, when Whitehall's policymakers were developing plans for peacetime housing, they based them on earlier experiences of reconstruction and slum clearance rather than embracing radical reform.⁶² Consequently, the policies implemented to combat the Beveridge giant of 'squalor' in housing were nothing like the fundamental reforms for state education and health in the plan to build a 'New Britain'. The approach to housing policy may also be contrasted with the related policy area of town planning where there was a rigorous review followed by comprehensive legislation.⁶³ Even so, the first Attlee Government (1945–50) failed to honour a manifesto commitment to form a new ministry covering both town planning and local government to tackle post-war reconstruction. Responsibility for municipal housing remained with Aneurin Bevan, the Health Minister, at a time when he was absorbed in the mammoth task of setting up the National Health Service. Kenneth Morgan has described this failure of Attlee to act sooner as 'a great administrative error' because of the importance of local authorities in this period as both major owners of land and administrators of town planning.⁶⁴ Bevan sensibly placed an emphasis on councils building houses of good quality, but the quantity completed was disappointing.

⁵⁹ As explained in Chapter Two.

⁶⁰ Peter Malpass, 'The Wobbly Pillar? Housing and the British Postwar Welfare State', *Journal of Social Policy*, vol.32, no.4 (2003); Peter Malpass, *Housing and the Welfare State: The Development of Housing Policy in Britain* (Basingstoke: Palgrave Macmillan, 2005) pp. 21–7.

⁶¹ R. M. Kirwan, 'The Demise of Public Housing?' in Julian Le Grand and Ray Robinson (eds.), *Privatisation and the Welfare State* (London George Allen and Unwin: 1984) p. 134.

⁶² Malpass, *Housing and the Welfare State*, p. 211.

⁶³ Barlow Report, Cmd. 6153, 1940; Scott Report, Cmd. 6378, 1942; Uthwatt Report, Cmd. 6386, 1942; Town and Country Planning Act 1947; Town and Country Planning Act 1947; Pat Thane, *Foundations of the Welfare State*, 2nd edn (Harlow: Longman, 1996) p. 242; Helen Meller, *Towns, Plans and Society in Modern Britain* (Cambridge: Cambridge University Press, 1997) pp. 67–8; Barry Cullingworth (ed.) *British Planning: 50 Years of Urban and Regional Policy* (London: Athlone Press, 1999).

⁶⁴ Kenneth O. Morgan, *Labour in Power 1945–1951* (Oxford: Oxford University Press, 1984) p. 163. The new Ministry of Housing and Local Government came into existence in 1951.

Progress on the housing programme was impeded in part by shortages of materials and skilled labour, but also by cutbacks in government funding following the balance of payments crisis of 1947.⁶⁵

The Labour Party's treatment of the private letting and owner-occupied sectors also reveals a different approach from the main welfare services. The PLP never attempted to bring the private rented sector into public ownership and resisted moves by Labour's Annual Party Conference to introduce an extensive municipalisation programme.⁶⁶ Instead, Labour governments relied on the imposition of security of tenure and the control of rents in the private sector that had some counter-productive consequences for the upkeep of the properties affected and the comfort of tenants living in them.⁶⁷ Nevertheless, the private rented sector was a major area of dispute between the political parties before Labour introduced 'fair rents' in 1965.⁶⁸

There was little at issue between Labour and the Conservatives over owner-occupation from the 1950s. The Labour Party always accepted the existence of owner-occupation and by the mid-1960s the Wilson Government went further by embracing home-ownership as the 'normal' tenure; it even introduced the Option Mortgage Scheme to provide a direct subsidy for low wage earners.⁶⁹ Its support probably reflected a growing desire and ability of actual or potential Labour supporters to take on a mortgage.⁷⁰ During the second half 1970s Labour went further by acknowledging 'owner-occupation as the main housing tenure for all'.⁷¹ This shift in emphasis may be seen as undermining the party's traditional approach of providing council housing for general needs. It is also noteworthy that there was always a bi-partisan approach to allowing tax relief on the interest payments on mortgages that was recognised formally by governments in the 1950s and throughout the period under review in this thesis.⁷² The generous allowance amounted to massive sums lost to the exchequer with the

⁶⁵ Thane, *Foundations of the Welfare State*, p. 243.

⁶⁶ Malcolm Wicks, *Rented Housing and Social Ownership*, Fabian Tract 421 (London: Fabian Society, 1973) pp. 1–3; Zoe Doye, 'The Labour Party and Public Housing, 1951–64: An Examination of National Policy and its Implementation in London' (unpublished PhD thesis, Birkbeck College, University of London, 2004) pp. 127–51.

⁶⁷ Alderson, *Britain in the Sixties: Housing*, pp. 82–7.

⁶⁸ See Chapter Two.

⁶⁹ A. E. Holmans, *Housing Policy in Britain: A History* (London: Croom Helm, 1987) p. 275.

⁷⁰ Shapely, *Politics of Housing*, pp. 39–40.

⁷¹ Mark Kleinman, *Housing, Welfare and the State in Europe: A Comparative Analysis of Britain, France and Germany* (Cheltenham: Edward Elgar, 1996) p. 19.

⁷² Tax relief on mortgage interest was phased out in the 1990s following hostility from the Treasury: Kleinman, *Housing, Welfare and the State*, pp. 30–1; David Mullins and Alan Murie, *Housing Policy in the UK* (Basingstoke: Palgrave Macmillan, 2006) pp. 92–3.

growth of owner-occupation and the inflation in house prices. The arrangement was regressive in that high-income earners taking out large mortgages received more government support than modest wage earners buying small houses. As Labour governments failed to introduce a unified policy covering the whole of housing finance, subsidies on providing council housing were counted as public expenditure, whereas the tax relief on mortgage interest payments was not treated as such despite it being in effect a subsidy supporting owner-occupation. Thus whereas council housing was portrayed by Conservatives as a burden on the public purse, support for house-purchase was not.

A consequence of both major parties having policies which encouraged owner-occupation and retained a private letting sector was that the proportion of municipal housing was never predominant in the nation's housing stock. Although large, at its peak in the 1970s municipal housing amounted to less than a third of the total stock, whereas the owner-occupied sector amounted to over half of it and growing.⁷³ Public housing was never a universal service which was easily accessible to the general public in the way that the NHS, state education and pensions dominated provision and were seen as the norm by most in society. Bevan dropped the term 'working class' from the legislation governing the building of council housing, but the persons who qualified for the new homes – the availability of which was generally scarce – were predominantly those on lower incomes, although for much of the period before 1979 the typical council tenant was drawn from the ranks of the skilled and semi-skilled.

Council housing was in a more vulnerable position when the Thatcher Government came to power than other sectors of the welfare state, but Britain was not alone in this respect during the 1980s.⁷⁴ In the light of the impact of New Right thinking on public sector services in several Western European countries, some social science theorists applied the term 'wobbly pillar' to the precarious nature of 'social housing' under the welfare state.⁷⁵ The argument went that the position of public housing lacked stability in the welfare state because not only was it smaller than the private sector, but rents paid by tenants were substantially higher than charges made to users of other

⁷³ Peter Saunders, *A Nation of Home Owners* (London: Unwin Hyman, 1990) p. 14.

⁷⁴ Kirwan, 'The Demise of Public Housing?'; Martin Loughlin, *Local Government in the Modern State* (London: Sweet and Maxwell, 1986) pp. 95–6; Malpass, *Housing and the Welfare State*, p. 23.

⁷⁵ The term 'social housing' did not come into general use in Britain until about 1990: Peter Malpass, *Housing and the Welfare State*, p. 15. The term embraces housing owned by councils and housing associations.

services.⁷⁶ The vulnerability of public housing was demonstrated by its high degree of ‘residualisation’ as a result of New Right policies – in Thatcher’s Britain and elsewhere – in comparison with other welfare services.⁷⁷ The expression ‘wobbly pillar’ was first used by social scientists in Scandinavia and Michael Harloe endorsed their approach.⁷⁸ Peter Malpass, however, considers the term to be unhelpful because it relies on a definition of the welfare state which is too narrow and that there are better ways of understanding housing in Britain.⁷⁹

It can be argued that those responsible for the building and management of ‘mass housing’ erected in large cities from the mid-1950s unwittingly contributed to the vulnerability of council housing. The situation arose because of a tendency for them to be carried along by trends which Alison Ravetz has identified as ‘the ultimate episode of utopianism in British council housing’.⁸⁰ This was the boom in the building of high-rise flats which was encouraged by the Macmillan Government’s introduction of special subsidies on the construction of flats above five storeys.⁸¹ It seems that as fashions in building design changed, many leading councillors came to view tall buildings as a symbol of progress, perhaps akin to acquiring an IBM main frame computer for town hall staff. John Burnett has suggested that there was municipal prestige in erecting tall blocks and that the rivalry between local authorities might be compared to the building of town halls in the Nineteenth Century.⁸² Unfortunately, there was also a widespread use of system-building promoted by government ministers of both parties, especially Sir Keith Joseph and Richard Crossman, in the mistaken belief that construction costs would be cheaper.⁸³ The adoption of this form of construction was soon to be associated with a decline in the aesthetic appearance of buildings and with major structural faults.

The description of ‘mass housing disaster’ that Chris Holmes applied to this unfortunate episode (and even earlier estates) may be unduly harsh but sums up the

⁷⁶ For an explanation of the resilience of most welfare state services to privatisation under Thatcher, unlike council housing, see: Parker, *The Official History of Privatisation*, Vol. 1, pp. 86–7 and 184–8.

⁷⁷ Malpass, *Housing and the Welfare State*, p. 6.

⁷⁸ Michael Harloe, *The People’s Home? Social Rented Housing in Europe and America* (Oxford: Blackwell, 1995) pp. 2–4.

⁷⁹ Malpass, *Housing and the Welfare State*, pp. 6 and 22–3.

⁸⁰ Ravetz, *Council Housing and Culture*, p. 104.

⁸¹ Housing Subsidies Act 1956; John Burnett, *A Social History of Housing 1815–1985*, 2nd edn (London: Methuen, 1986) p. 286.

⁸² Burnett, *Social History of Housing*, p. 302.

⁸³ System-building was originally known as ‘industrialised building’: Brian Finnimore, *Houses from the Factory: System Building and the Welfare State 1942–74* (London: Rivers Oram, 1989).

views of many council tenants and the wider public during the 1970s.⁸⁴ The increasing dissatisfaction with serious faults occurring in the physical fabric of certain types of buildings and the bad name acquired by several housing departments for inadequate maintenance and estate management, especially in the inner city, led to the whole public housing sector falling out of favour during the 1970s. The partial collapse of Newham Council's Ronan Point due to structural failure might be viewed as providing a fitting epitaph to the episode.⁸⁵ Increasingly politicians, who saw local authority involvement in housing as no longer the solution but the problem, gained credence.⁸⁶ As a consequence, when the Thatcher Government began introducing policies which were likely to undermine councils as providers of housing – beginning with the Right to Buy scheme – there was an absence of large-scale protests.

Class consciousness also played its part in the stigmatisation of council housing. In the 1970s it was possible to find all social classes occupying all the main tenures with a significant (and increasing) presence of skilled and unskilled workers among the owner-occupiers. But the professional, middle and other non-manual classes lived predominantly in their own homes.⁸⁷ Accordingly the middle classes tended to view council housing as being the province of the working class and so did not identify with public housing as they did with the National Health Service or state education. In some areas there had been a rift between owner-occupiers and council tenants when large municipal estates were being built in the suburbs in the 1920s, including the fringes of London, as there was considerable opposition from local residents supported by Conservative councillors.⁸⁸ It is likely that feelings of prejudice remained in more subtle forms after the Second World War, not only towards the tenants but increasingly towards the design and appearance of council estates. There were unfortunate consequences in architects and planners devising forms of local authority flats and

⁸⁴ Chris Holmes, *A New Vision for Housing* (London: Routledge, 2006) p. 32. For a critique of 'disaster' narratives, see: Mark Clapson, *Working-Class Suburb: Social Change on an English Council Estate, 1930–2010* (Manchester: Manchester University Press, 2012) pp. 3–5.

⁸⁵ Patrick Dunleavy, *The Politics of Mass Housing 1945–1975: A Study of Corporate Power, and Professional Influence in the Welfare State* (Oxford: Oxford University Press, 1981) pp. 242–9. 'Fitting epitaph' derives from author's interviews with David Gilles, 20 and 26 February 2013.

⁸⁶ Holmes, *New Vision for Housing*, p. 32.

⁸⁷ Ivan Reid, *Social Class Differences in Britain*, 2nd edn (London: Grant McIntyre, 1981) pp. 192–3.

⁸⁸ An extreme example of middle class prejudice was clearly expressed in a brick wall erected at the Downham Estate, South East London put up at the instigation of owner-occupiers to prevent local authority tenants passing through streets of private properties. The action was similar to that which was to follow at the better-known Cutteslowe walls, North Oxford: Gavin Weightman and Steve Humphries, *The Making of Modern London 1914–1939* (London: Sidgwick and Jackson, 1984) pp. 109–10; Michael Nelson, 'Gated Communities: Class Walls', *History Today*, vol. 61, no. 11 (2011).

houses which were radically different in appearance from private housing, and in adopting estate layouts which dispensed with conventional street patterns. People who did not live on council estates tended to avoid them. Similarly, the high-rise boom in council housing in the major cities, followed by widespread deficiencies in building maintenance, led to council housing being viewed negatively in terms of deteriorating tower blocks, sink estates and vandalism.⁸⁹

When council housing or its tenants were under threat in 1972 and 1980, it was perhaps unsurprising that the general public did not campaign and demonstrate against the government as they were likely to do when a hospital or nursery school was threatened with closure. As for the attitude of working class owner-occupiers, it might be expected that their class loyalties would remain. Yet they could have been unsympathetic to their fellow workers in financial situations where there was a conflict of interest, such as over taxation and subsidies.⁹⁰ Similarly, low-paid tenants of private housing may well have viewed council tenants as being in a privileged position financially and so unworthy of their support. One can envisage people in the private sector, whether tenants or home owners, having little sympathy with council tenants who were faced with substantial rent increases in 1972 when they were aware that low rents were being subsidised from the rates. The Conservatives had made full play of the situation during the 1960s. When in 1967 an incoming Conservative regime at the GLC introduced 'fair rents' for its lettings, it announced that the rent increases would save ratepayers having to make good a housing deficit of £10 million within a few years.⁹¹ But Labour councillors considered 'fair rents' to be inappropriate.

During the 1960s a view was widely held in the country that there were many affluent council tenants who should not be benefitting from universal subsidies. Over several years before Heath's 'fair rents' legislation, a powerful image had a marked impact on public consciousness: the privileged council tenant who unjustly benefitted from low-rent accommodation. The promotion of this notion was carefully managed by Conservative policy-makers.⁹² And the view was not confined to the political right. A *Penguin Special* on the housing problem was surprisingly critical of providing subsidies

⁸⁹ Clapson, *Working-Class Suburb*, pp. 3–5.

⁹⁰ Peter Saunders, *Nation of Home Owners*, p. 327.

⁹¹ London Metropolitan Archives, GLC Press Release no. 469, 7 December 1967, 'New GLC Fair Rent Scheme'.

⁹² Keith Jacobs, Jim Kemeny and Tony Manzi, 'Privileged or Exploited Council Tenants? The Discursive Change in Conservative Housing Policy from 1972 to 1980', *Policy and Politics*, vol. 31, no. 3 (2003).

for the affluent council tenant.⁹³ The popular Sunday newspaper, *The People*, conducted a long-running campaign designed to expose ‘rich’ council tenants.⁹⁴ Even Labour’s Richard Crossman when Minister of Housing contributed to the debate, although his comments about affluent tenants were more measured than Nicholas Timmins has suggested as Crossman appreciated that the income of a tenant would fluctuate during a normal life-cycle.⁹⁵ Absent from the debate was any suggestion that on becoming an owner-occupier the affluent tenant was likely to obtain a substantial state subsidy in the form of income tax relief on the mortgage.

During Labour’s period in power in the 1970s, when Conservative opinion was strongly in support of selling municipal housing, a very different image of the council tenant gained currency. With the deteriorating perception of housing estates and the growing stigma attached to council lettings, there was a new narrative as tenants were portrayed as being ‘oppressed’ and even as ‘serfs’ who deserved to be liberated by being given the opportunity to buy their home.⁹⁶ This view of the council tenant was shared by a few in the Labour Party, notably Frank Field.⁹⁷ It is widely known that Harold Wilson’s political advisers Bernard Donoughue and Joe Haines were in favour of adopting the sale of council housing to tenants as official Labour policy.⁹⁸ Although the idea was quickly scotched, many Labour supporters – especially those who were council tenants – had no objection to the Right to Buy when introduced.

0.3 SELECTION OF LOCAL AUTHORITIES AND METHODOLOGY

I selected eight boroughs that were under Labour control both in 1972 and 1980: Brent, Camden, Greenwich, Hackney, Islington, Lambeth, Newham and Southwark. There is a brief profile of each in Appendix 1. In choosing them, the aim was to include a sufficient number of representative authorities to illustrate a degree of variation in their responses to the government legislation. As only boroughs under Labour control in both

⁹³ Alderson, *Britain in the Sixties*.

⁹⁴ Nicholas Timmins, *The Five Giants: A Biography of the Welfare State*, 2nd edn (London: HarperCollins, 2001) pp. 302–3; Jacobs, et al., ‘Privileged or exploited council tenants?’

⁹⁵ *The People*, 6 February 1966; Timmins, *Five Giants*, p. 302.

⁹⁶ Jacobs et al., ‘Privileged or exploited council tenants?’ pp. 313–4. The comparable position of private tenants was ignored.

⁹⁷ *Ibid.*, p. 314.

⁹⁸ Bernard Donoughue, *The Heat of the Kitchen: An Autobiography* (London: Politico’s Publishing, 2004) pp. 198–201; David Lipsey, *In the Corridors of Power: An Autobiography* (London: Biteback, 2012) pp. 76–7.

1972 and 1980 were to be included, the choice was made from 14.⁹⁹ Boroughs with a large housing stock were preferred; these were mainly in Inner London (the old LCC area). The other criteria adopted were: the known incidence of resistance to the legislation, a geographical spread, coverage in the literature and personal knowledge arising from my previous employment. The most obvious boroughs to include were those which put up most opposition in London – Camden and Greenwich. It was intended to examine boroughs scattered geographically, while recognising that west London authorities were mainly under Conservative control. By coincidence, these two boroughs were not only on opposite sides of the capital, being north-west and south-east respectively, but also dissimilar in character. Camden includes parts of the central London districts of Holborn, Bloomsbury and the southerly end of St Pancras, whereas much of Greenwich has an outer suburban character, especially Eltham, Shooter's Hill and Abbey Wood. When the selection was made, a study existed of the politics and administration of Camden in the 1960s, written by Enid Wistrich who was a Camden councillor at the time of the rebellion over the Housing Finance Act. And while the research was being undertaken, a political history by a former leader of the Conservative opposition on Camden council, Piers Wauchope, was published.¹⁰⁰ There is no such material available for Greenwich. As it was desirable to take into account relevant literature, this gave weight to the inclusion of Islington, Lambeth and Southwark.¹⁰¹ My own experience of working as an officer in Hackney and Newham in the period was also thought to be pertinent, and the recent addition to the literature of an autobiography by a former Hackney council leader, John Kotz, is fortunate.¹⁰² The final selection of Brent in the north-west was mainly to meet the criterion of geographical spread.

The principal types of printed primary material used in the research are: minutes of council meetings with accompanying committee papers, and local newspapers for reports on debates in the council chamber and political comment about or by town hall

⁹⁹ The other boroughs eligible for inclusion were Barking, Haringey, Hounslow, Lewisham, Tower Hamlets and Waltham Forest. Hammersmith was discounted because it had a hung council after the 1978 elections.

¹⁰⁰ Enid Wistrich, *Local Government Reorganisation: The First Years of Camden* (London: London Borough of Camden, 1972); Piers Wauchope, *Camden: A Political History* (Tunbridge Wells: Shaw Books, 2010).

¹⁰¹ Islington: Andrew D. Glassberg, *Representation and Urban Community* (London: Macmillan, 1981); Pat Haynes, *An Islington Councillor 1971–1992* (London: Pat Haynes, 1994); Lambeth: Cynthia Cockburn, *The Local State: Management of Cities and People* (London: Pluto Press, 1977); Andrew Hosken, *Ken: The Ups and Downs of Ken Livingstone* (London: Arcadia Books, 2008); Southwark: Sue Goss, *Local Labour and Local Government: A Study of Changing Interests, Politics and Policy in Southwark from 1919 to 1982* (Edinburgh: Edinburgh University Press, 1988); Harold Carter, 'The Life and Death of Old Labour: Collective Action and Social Cohesion in Sheffield and Southwark, 1945–1997' (unpublished DPhil thesis, University of Oxford, 2005).

¹⁰² John Kotz, *Vintage Red: The Story of a Municipal Socialist* (Croydon: Manifesto Press/Labour Heritage, 2011).

politicians. There is local newspaper reportage for each borough, with Lambeth and Southwark covered by the same publication, the *South London Press*.¹⁰³ As more detailed attention has been given in the research to Camden and Greenwich, two newspapers for each have been consulted. During the period under review, the local press contained adequate material on council business and treated housing as an important item of news. I supplemented the documentary sources by interviews with some local politicians who were either directly involved in the events which are the subject of the research, or who were informed about them. The project devised for the interviews was entitled, 'The Politics of Council Housing and Central – Local Government Relations' and 22 interviews were conducted between 2011 and 2013.¹⁰⁴ Information on the interviewees is given in Appendix 3.

This is primarily a qualitative study, and the approach I have adopted in interpreting my sources is broadly 'empirical' as I believe that this approach is appropriate when dealing with the messy business of practical politics. The project is narrow in scope as it is focused on two pieces of legislation.¹⁰⁵ I recognise that each category of primary sources used for the research has its limitations. Though invaluable for detailed information, newspaper reports are subject to inaccuracies in reportage and to political bias. There is need for caution over the contents of council minutes, as they tend to be sanitised and there is always the possibility of a committee clerk being unduly influenced by the politician in the chair. Oral interviews rely upon the accuracy of memory and impartial objectivity of the interviewee; both are likely to be questionable. In spite of these limitations, it is hoped that in using three main categories of primary sources the work is reliable overall in that it uses the well-established method of triangulation for establishing the validity of research findings. Nevertheless, in this study I relied more on the voluminous documentary sources than on the interviews, which are mainly helpful for filling in some gaps in the printed material and for adding context and colour to the accounts of what took place.

¹⁰³ A list of the newspapers is included with the Bibliography.

¹⁰⁴ King's College London, Research Ethics Committee Ref: REP-H/10/11-6.

¹⁰⁵ John Tosh, *The Pursuit of History: Aims, Methods and New Directions in the Study of Modern History*, 5th edn (Harlow: Longman, 2010) pp. 120–1.

0.4 THE VARIED LEGACY OF LONDON'S MUNICIPAL HOUSING

As London borough councils had considerable autonomy in the management of their housing, the leading members were in a powerful position locally. A council's relationship with its tenants in our period was largely paternalistic at a time when the availability of council accommodation was scarce.¹⁰⁶ Acquiring a council flat was much sought after by working class people in substandard or cramped accommodation because it promised the possibility of modern accommodation at a moderate rent for life. From the time that the enlarged London boroughs were formed in the mid-1960s and for most of the 1970s, all eight councils included in this study were actively involved in housing redevelopment schemes that produced a steady – if insufficient – supply of accommodation for letting to people on their long waiting lists.¹⁰⁷ Unfortunately, as in other major cities, 'many of the new developments suffered from poor designs, inadequate materials and inferior construction'.¹⁰⁸ Problems in some boroughs were compounded by deficiencies in housing management which could not cope with the ever increasing numbers of houses and flats.¹⁰⁹

Although the long-serving councillors had lost much of their radicalism by the late 1960s, they retained an unshakeable belief in municipal housing as providing the universal solution to decent low-rent accommodation. As a consequence they tended to view their estates less critically than the general public, Conservatives politicians and even some Labour MPs. Most of the leading councillors of the eight London boroughs that are the subject of this thesis – mainly in their fifties, sixties or even older during the 1970s – would have been stirred by the optimism that accompanied the erection of the post-war housing estates. The reconstruction of blitzed sites and redevelopment of slums by the LCC and the boroughs were seen idealistically by many at the time as the beginnings of a 'New London' as part of 'building a better Britain'.¹¹⁰ The former Hackney councillor, John Kotz, recalls the feelings among young Labour activists on the election of the Attlee Government: they were hopeful and confident in achieving 'a

¹⁰⁶ Shapely, *Politics of Housing*, p. 74.

¹⁰⁷ See Chapter Two for growth in each borough's housing stock.

¹⁰⁸ Shapely, *Politics of Housing*, p. 70.

¹⁰⁹ Carter, 'Life and Death of Old Labour'.

¹¹⁰ For 'building a better Britain', see: Meller, *Towns, Plans and Society*, pp. 67–72.

just society and a socialist future for our country.’¹¹¹ This included rebuilding the slums ‘which unscrupulous landlords had profited from for far too long’.¹¹²

Even before the Second World War the LCC Architect’s Department had become renowned world-wide for its design work, while some of the metropolitan boroughs had made a useful contribution to replacing slums despite their limited resources. On the reorganisation of London government in 1964-65, when the LCC Architect’s Department was absorbed within the Greater London Council (GLC), the enlarged London boroughs had sufficient resources to employ fully staffed departments to work on new housing. This would have rekindled borough councillors’ hopes for solving their local housing problems. The Camden and Lambeth leaderships placed a particular emphasis on producing a good quality of design by appointing exceptional architects – Sydney Cook and Edward Hollamby – to head their new departments.¹¹³ The first few years of the new London boroughs coincided with the early phase of Harold Wilson’s Government when Whitehall and town halls in London and other major cities were united in pursuing a policy of large-scale housing redevelopment, which at the time was popular with local electorates.¹¹⁴

Despite dissatisfaction with many estates becoming particularly vocal from the late 1960s, there was much to admire in London councils’ earlier achievements. Although the LCC developed its first housing on the edge of central London in the 1890s,¹¹⁵ its architects were particularly admired for their low-density suburban cottage estates.¹¹⁶ These were built before and after the First World War following principles established by the garden city movement.¹¹⁷ Among successes in terms of layout and design were the estates at Norbury, White Hart Lane (Tottenham) and Old Oak (Hammersmith).¹¹⁸ Some of the boroughs were also active in erecting cottage estates,

¹¹¹ Kotz, *Vintage Red*, p. 30.

¹¹² Ibid.

¹¹³ Miles Glendinning and Stefan Muthesius, *Tower Block: Modern Public Housing in England, Scotland, Wales and Northern Ireland* (New Haven: Yale University Press, 1994) p. 278; Lionel Esher, *A Broken Wave: The Rebuilding of England 1940–1980* (Harmondsworth: Penguin, 1983) pp. 157–8;

www.architecture.com/EducationAndCareers/ModernArchitectureAndTownPlanning/MarkSwenarton accessed on 10 February 2014.

¹¹⁴ Carter, ‘Life and Death of Old Labour’.

¹¹⁵ Boundary Estate, Bethnal Green and Millbank Estate Westminster: Susan Beattie, *A Revolution in London Housing: LCC Housing Architects and Their Work 1893–1914* (London: Greater London Council / Architectural Press, 1980).

¹¹⁶ London County Council, *London Housing* (London: LCC, 1937) pp. 117–79.

¹¹⁷ Mark Swenarton, *Building the New Jerusalem: Architecture, Housing and Politics 1900–1930* (Bracknell: IHS BRE Press, 2008) p. 6.

¹¹⁸ Judith Lever/ Greater London Council, *Home Sweet Home: Housing Designed by the London County Council and Greater London Council Architects 1888–1975* (London: Academy Editions, 1976) pp. 28–32; Shapely, *Politics of Housing*, p. 58.

including Woolwich, Greenwich and Lambeth.¹¹⁹ Woolwich, which was later to form the greater part of London Borough of Greenwich, benefitted from large tracts of undeveloped land in the Eltham area where it developed the expansive Page and Middle Park Estates, and the LCC came to recognise the borough as a leading house-builder.¹²⁰

Following a shift in government policy from the late 1920s, the LCC with the participation of the metropolitan boroughs acquired a sound reputation for replacing slums in the inner urban areas with blocks of flats mostly no higher than five storeys. The LCC favoured a conservative style of brick and tile buildings euphemistically known as ‘neo-Georgian’ as at Tabard Garden (Southwark), China Walk (Lambeth) and East Dulwich (Camberwell).¹²¹ A rare adoption of modernism was shown in the Ossulton Estate, St Pancras, where the influence of the design of Viennese workers flats is evident.¹²² Modernism in its various forms did not reappear widely in London public housing until after the Second World War.

In the post-war years and into the 1950s, hopes were widespread for building a ‘New London’ following publication of the County of London Plans of 1943 and 1951.¹²³ But the Labour-controlled LCC did not initially lead the way in modern design, as this role was filled by Westminster City Council at its dense Churchill Gardens Estate designed by the modernist architects Powell and Moya. To avoid delays, the LCC kept to its earlier ‘off the shelf’ neo-Georgian designs. While some metropolitan boroughs relied on their in-house staff,¹²⁴ others experimented by using innovative private architects with the aim of achieving a higher standard than their earlier tenement blocks. For instance, tiny Finsbury engaged the inspirational Berthold Lubetkin, to design its Spa Green Estate;¹²⁵ Hackney employed some young architects including

¹¹⁹ LCC, *London Housing*, p. 184; Alan A. Jackson, *Semi-Detached London: Suburban Development, Life and Transport, 1900–39* (London: George Allen and Unwin, 1973) pp. 164–5; Edmund Bird, *Survey of Historic Housing Estates of the 1920s and 1930s in the London Borough of Lambeth* (London: London Borough of Lambeth, 2003).

¹²⁰ LCC, *London Housing*, p. 191; Peter Guillery (ed.) *Woolwich*: general editor, Andrew Saint, *Survey of London* vol. 48 (New Haven: Yale University Press, 2012) p. 311.

¹²¹ Lever/ GLC, *Home Sweet Home*, pp. 38–40.

¹²² Ibid. p. 38; Ravetz, *Council Housing and Culture*, p. 94. For Viennese socialist housing see: Meller, *Towns, Plans and Society*, p. 48.

¹²³ J.H. Forshaw and Patrick Abercrombie, *County of London Plan: Prepared for the London County Council* (London: Macmillan, 1943); LCC, *Administrative County of London Development Plan 1951: Analysis* (London: London County Council, 1951); W. Eric Jackson, *Achievement: A Short History of the London County Council* (London: Longmans, 1965) p. 94.

¹²⁴ Stefan Muthesius, ‘“It is as though we start a new life”: Council Housing in Shoreditch 1945–50’, *Hackney History*, vol. 13 (2007) pp. 41–7.

¹²⁵ Nicholas Bullock, ‘Fragments of Utopia: Housing in Finsbury 1945–51’, *Urban Studies*, 26, 1989, pp. 46–58; Nicholas Bullock, *Building the Post-War World: Modern Architecture and Reconstruction in Britain* (London: Routledge, 2002) pp. 202–3; Philip Temple (ed.) *Northern Clerkenwell and Pentonville*: general editor, Andrew Saint, *Survey of London* vol. 47 (New Haven: Yale University Press, 2008) pp. 96–104.

Frederick Gibberd and Graham Dawbarn for several housing schemes, including the low-rise Somerford Estate.¹²⁶ As the LCC acknowledged the competence of Woolwich, it unusually delegated its town planning powers to the borough for the ‘comprehensive redevelopment’ of St Mary’s Estate adjoining the town centre.¹²⁷ Meanwhile Woolwich took advantage of some remaining undeveloped land within its boundaries to build the low-density Cold Harbour Estate, New Eltham.¹²⁸

Moving away from its attachment to pre-war designs, the LCC invited outside architects to participate in the extensive Lansbury Neighbourhood in Poplar, that was part of the 1951 Festival of Britain’s living architecture exhibition showing how the ‘New London’ could be built in houses and low-rise blocks of flats.¹²⁹ In a style similar to Hackney’s Somerford Estate, the influential scheme provided a model of moderately dense housing built of traditional materials to a humane scale.¹³⁰ This ‘soft’ modernist approach to design could have been adopted widely in Inner London, but architectural opinion at the time considered it timid and dull. During the 1950s the LCC and the inner boroughs became instrumental in popularising high-rise flats as part of ‘mixed development’ ostensibly to avoid the monotony of buildings of similar scale as on most of the earlier estates.¹³¹ In their early manifestations, the new forms of high-rise flats could look imposing when set in parkland at the Alton Estate, Roehampton or adjoining the widening Thames at the Pepys Estate, Deptford.¹³² Unfortunately, leading councillors from the mid-1950s, as in other major cities, had a tendency to accept uncritically the advice from their professional advisers.

The widespread adoption of modernist architecture was a mixed blessing. It became clear to local councillors too late that high flats in the form of towers and slabs may have shown panache in the early days, but when located insensitively, or devoid of extensive landscaping, they appeared bleak in appearance such as at Loughborough, Lambeth and Bentham Road, Hackney. And all high-rise blocks were expensive to maintain. The LCC first used system-building at Morris Walk Estate, Woolwich, but though creating considerable national interest, the flats were less popular with tenants. It

¹²⁶ Michael Passmore, ‘From High Hopes to Tall Flats: The Changing Shape of Hackney’s Housing, 1945–60’, *Hackney History*, vol. 15 (2009) pp. 50–62.

¹²⁷ E. F. E. Jefferson, *The Woolwich Story 1890–1965* (London: Woolwich and District Antiquarian Society, 1970) pp. 399–404; Glendinning and Muthesius, *Tower Block*, p. 277.

¹²⁸ Guillery, *Woolwich*, p. 311.

¹²⁹ Jackson, *Achievement*, p. 95. The development was named after George Lansbury and later renamed ‘Lansbury Estate’.

¹³⁰ Passmore, ‘From High Hopes to Tall Flats’, pp. 50–62.

¹³¹ Burnett, *Social History of Housing*, p. 300.

¹³² Jackson, *Achievement*, p. 95; John Burnett, *Social History of Housing*, p. 300.

can be seen in retrospect that the trend in reinforced concrete housing that began triumphantly in the LCC's Alton Estate, ended disastrously in a debased form at the GLC's Ferrier Estate, Greenwich where faults in design and execution were evident from the time that it was completed in 1972.¹³³ With the rapid expansion of house-building, the management and maintenance of the new estates was frequently sub-standard, leading to dissatisfaction among the tenants.¹³⁴ Although the partial collapse of Ronan Point in Newham in 1968 put an end to the fashion for tower blocks, the GLC architects and some others in the profession had already moved on to designing low-rise forms of housing.

There had always been complaints from tenants and others about London's municipal estates including the interwar houses and flats. By the 1930s, standards of the layout and design of the cottage estates had declined, especially at the Becontree Estate which spanned the borders of Barking and Dagenham, and described by Gibbon and Bell in 1939 as, 'the largest municipal housing estate in the world'.¹³⁵ Although the majority of tenants favoured living in a house to a flat, there were complaints that the new estates on the fringes of London were too far from work and were deficient in shops and pubs. The LCC had aimed to locate its estates where there was 'cheap and accessible public transport' readily available, but this was difficult to achieve on the fringes of the built-up area.¹³⁶ In Inner London, the county's heavy neo-Georgian flats had a dignified appearance from the street, but 'the inner courtyards with their wastes of tarmac surrounded by horizontal balconies presented a very different picture'.¹³⁷ These gallery access blocks were disliked by the public.¹³⁸ Nevertheless, the LCC flats were probably superior to the dense tenements built by some boroughs, such as the Margery Street Estate (Finsbury), Kennistoun House (St. Pancras) and Nisbet and Banister

¹³³ Ferrier Estate was demolished and redeveloped 40 years later as 'Kidbrooke Village': *Evening Standard*, 3 July 2013, 'Rising from the rubble, the £1 billion village replacing "hellhole" south-east London estate': www.standard.co.uk/news/london accessed on 2 September 2014.

¹³⁴ Criticisms of the design and management of much of London's council housing are borne out by studies undertaken in the 1980s: Alice Coleman, *Utopia on Trial, Vision and Reality in Planned Housing* (London: Hilary Shipman, 1985) and Anne Power, *Property Before People: The Management of Twentieth-Century Council Housing* (London: Allen & Unwin, 1987). See also: Meller, *Towns, Plans and Society*, pp. 93–4.

¹³⁵ Sir Gwilym Gibbon and Reginald W. Bell, *History of the London County Council 1889–1939* (London: Macmillan and Co, 1939) pp. 390–1.

Lever/ GLC, *Home Sweet Home*, p. 32; Andrzej Olechnowicz, *Working-Class Housing in England Between the Wars: The Becontree Estate* (Oxford: Clarendon Press, 1997).

¹³⁶ Ken Young and Patricia L. Garside, *Metropolitan London: Politics and Urban Change 1837–1981* (London: Edward Arnold, 1982) p. 154; Meller, *Towns, Plans and Society*, pp. 60–1.

¹³⁷ Lever/ GLC, *Home Sweet Home*, p. 40.

¹³⁸ Bullock, *Building the Post-War World*, pp. 211–2.

Houses (Hackney).¹³⁹ But criticisms of earlier forms of housing were insignificant compared to the complaints which arose from design and structural faults on high-rise estates especially following the adoption of system-building. Looking back at the boom in the building of flats in inner city areas during the 1950s and 60s, Young and Willmott concluded,

the new flatted estates had little in their favour. Though there were honourable exceptions, most of the blocks, high and low alike, were so barrack-like – so much the image of ‘mass housing’ – that they made the councils’ pre-war neo-Georgian blocks and cottage estates seem handsome by comparison.¹⁴⁰

Despite ward councillors being involved in handling tenants’ complaints, the sanguine view that many Labour politicians held of their borough’s housing often parted company with reality. This arose in part from their tendency to be fixated on a clean-sweep approach to tackling run-down housing (as distinct from irredeemable slums) rather than exploring options for improvement and modernisation. As a Labour-supporting author put it when reviewing the party’s performance in the 1960s, ‘Labour politicians were subject to great waves of prejudice when certain words were mentioned: ‘landlord’ was one of these words, ‘council-house’ another. Landlords were bad, council houses were good.’¹⁴¹ Older London councillors were likely to have vivid memories of slum housing conditions of the 1930s and 1940s. Even when most of the slums had been replaced, old-school Labour councillors often appeared entrenched in the view that redevelopment of run-down Victorian terraces with new council housing was the only solution to providing decent rented accommodation. Jack Straw, who became an Islington councillor in the early 1970s, recognised that the Old Guard there had become obsessed with housing redevelopment because they had ‘lived in London’s working-class squalor in the thirties and had been through the Blitz. They wanted to start with a blank page’.¹⁴² In this clean-sweep approach, councillors were supported by government policy even when ministers began placing greater emphasis nationally on improvement grants for run-down housing in the late 1960s.¹⁴³ A study of ‘Old Labour’ politicians in Southwark helps to explain why the post-war generation of councillors persisted with redevelopment schemes when such an approach was no longer justified:

¹³⁹ LCC, *London Housing*, pp. 184–99; Philip Temple (ed.) *Northern Clerkenwell and Pentonville*, pp. 258–61; T. F. T. Baker (ed.) *Victoria County History*, Vol. 10, Hackney: Homerton and Hackney Wick: British History Online, www.british-history.ac.uk accessed on 27 August 2014.

¹⁴⁰ Michael Young and Peter Willmott, ‘New Introduction’ to *Family and Kinship in East London*, Revised edn (London: Penguin Books, 1986) p. xix.

¹⁴¹ Brian Lapping, *The Labour Government 1964–70* (Harmondsworth: Penguin, 1970) p. 171.

¹⁴² Jack Straw, *Last Man Standing: Memoirs of a Political Survivor* (London: Macmillan, 2012) pp. 88–9.

¹⁴³ See Chapter Two.

they stuck rigidly to their aims for housing renewal because of the considerable time and energy they had invested in pursuing them.¹⁴⁴

There was little formal consultation with council tenants in our period because the Labour councillors believed that they were sufficiently in touch with them as they lived locally and had links with the various tenant organisations representing their estates. But in comparison with the old authorities, the tenants generally felt the town hall members and staff of the larger, post-1965 boroughs to be more distant and impersonal. It is understandable that Labour councillors who were adherents of municipal housing by conviction (their opponents would accuse them of being doctrinaire) should have disregarded the views of the general public. But they ought to have been aware of the evolving opinions among their tenants. Being too prone to look backwards rather than to the future, the senior council members seemed unaware that the working class was changing in its composition and aspirations.¹⁴⁵ Accordingly, ‘they had no conception that that the Right to Buy was popular among tenants, which Thatcher had foreseen’.¹⁴⁶

A more critical approach to local authority involvement in housing was to come from a new type of councillor. As explained in later chapters of this thesis, during the 1970s and early 1980s there was a growing number of younger Labour members who were relatively new to the area they represented on the council. They differed culturally from the post-war generation of Labour members as they tended to be more middle-class, educated to a higher level and predominantly home-owners. Some had experience in community action and with housing associations; some were associated with gentrification in boroughs such as Camden, Islington and Lambeth. Unlike the older generation of Labour councillors, these new members tended to have few ties with the council estates or their tenant organisations, and they were more likely to be critical of a borough’s top-down housing policies.¹⁴⁷ But in common with the older and more senior council members, they were likely to resent any Conservative legislation which would lead to a loss of local freedom to fix rents and retain the council’s housing stock intact.

¹⁴⁴ Carter, ‘Life and Death of Old Labour’.

¹⁴⁵ Author’s interview with Anthony Kendall, 7 February 2013.

¹⁴⁶ Ibid.

¹⁴⁷ Ibid.; author’s interview with David Gilles, 20 and 26 February 2013.

0.5 MATERIAL IN THE LITERATURE ON THE POLITICAL BATTLES OF 1972 AND 1980

The written material on twentieth-century housing policy is plentiful. With some notable exceptions, most of the authors have been social scientists, but several have included historical sections in their work. In this respect, a good precedent was set by the economist Marion Bowley in her classic work, *Housing and the State*, when identifying and explaining distinct periods in the development of housing policy in the inter-war period.¹⁴⁸ Works by Malpass and Murie, and by Balchin and Rhoden, give concise accounts of the 1972 and 1980 legislation.¹⁴⁹ Peter Shapely in *The Politics of Housing* includes an overview of housing policy changes from the 1920s to the 1980s and the attitude of Labour local authorities to them.¹⁵⁰ Nevertheless, most detailed studies of the manner in which local councillors reacted to the 1972 and 1980 statutes concentrate on just one policy change, as will be seen in the following review.

Resistance to the Housing Finance Act

Two of the early accounts of resistance to the Housing Finance Act were by protagonists. The most comprehensive is Leslie Sklair's article, 'The Struggle Against the Housing Finance Act' which has been used as a source by several authors.¹⁵¹ As little empirical work has been undertaken on local opposition, Sklair's article is an obvious starting point for research. Writing from an extra-parliamentary perspective, Sklair had nothing but praise for the stand taken by the Clay Cross councillors. One of the leaders of this local rebellion, David Skinner, was the joint author of another frequently cited text, *The Story of Clay Cross*.¹⁵² His co-author, Julia Langdon, was a journalist with *Labour Weekly*, the party's official newspaper at the time, and the book provides a 'blow by blow' account of the events as seen from the perspective of the local council leadership. Both accounts record that the opposition by Labour authorities grew for a while, but declined from mid-1972 as, one by one, they decided to comply with the legislation. Piers Wauchope includes a lively narrative account of Camden's

¹⁴⁸ Marian Bowley, *Housing and the State: 1919–1944* (London: George Allen & Unwin, 1945).

¹⁴⁹ Malpass and Murie, *Housing Policy and Practice*; Balchin and Rhoden, *Housing Policy*.

¹⁵⁰ Shapely, *Politics of Housing*.

¹⁵¹ Sklair, 'The Struggle Against the Housing Finance Act'; Malpass, 'The road to Clay Cross'; Cooper, *Public Housing and Private Property*, pp. 107–8.

¹⁵² Skinner and Langdon, *The Story of Clay Cross*; Sklair, 'The Struggle Against the Housing Finance Act'. David is a brother of Dennis Skinner, MP for Bolsover and a Clay Cross councillor in the 1960s.

opposition to the Housing Finance Act in his *Camden, A Political History*.¹⁵³ He explains that a threat by the Secretary of State to remove the borough's housing subsidies was the decisive factor in persuading Camden's Labour members in January 1973 to implement the Act.¹⁵⁴ It is clear that the Camden rebellion lasted many months, during which the Labour group's policy survived despite a slender majority of councillors being in favour. This thesis will examine how Labour councillors prolonged the political fight.

Nothing has been written on any of the other boroughs that is equivalent to Piers Wauchope's coverage of the Camden's opposition to the 1972 Act; nor does the literature provide any detailed information on Labour decisions to *cooperate* with the government when authorities could obtain abatement in the first rent increase in certain circumstances. The research for this project has revealed a number of factors that influenced Labour groups when deciding to implement.

As to the strategy of councils resisting the government, Skinner and Langdon explain that the Clay Cross councillors believed that, if enough Labour councils joined them in refusing to implement the Act, they would render the Housing Finance Act unworkable.¹⁵⁵ In similar vein, Sklair argued that the only strategy likely to succeed was close collaboration between Labour councils.¹⁵⁶ As this never happened, Sklair criticised the PLP for its failure to coordinate resistance to the Act, with the result that councils never presented a united front.¹⁵⁷ Sklair considered that Camden was a suitable candidate to lead a national campaign with its large stock of housing, its 'progressive political machine' and policy of non-implementation. Yet Camden's Labour group did not do so.¹⁵⁸ According to Wauchope, who tends to interpret events from a Conservative perspective, Camden's leader was still working out a strategy shortly before the Housing Finance Bill became law. By defying the government, the leadership in effect sought to provoke the Secretary of State into appointing a housing commissioner to

¹⁵³ Wauchope, *Camden*. Although well researched, there are no citations of sources used. Wauchope first became a councillor in 1998. He later joined the United Kingdom Independence Party (UKIP) and became a member of Tunbridge Wells Borough council: www.tunbridgewells.gov.uk accessed on 19 August 2013.

¹⁵⁴ Wauchope, *Camden*, pp. 80–5.

¹⁵⁵ Skinner and Langdon, *The Story of Clay Cross*, pp. 38 and 44.

¹⁵⁶ Sklair, 'The Struggle Against the Housing Finance Act', p. 257.

¹⁵⁷ Malpass, 'The road to Clay Cross', p. 121.

¹⁵⁸ Sklair, 'The Struggle Against the Housing Finance Act', p. 257.

perform the government's 'dirty work' as this would have been a propaganda coup for the Labour council.¹⁵⁹

Apart from unsuccessful moves to persuade Labour boroughs to collaborate over resistance to the rent increases, there is little in the literature about the strategy adopted by Labour administrations. This thesis will explore a variety of such strategies adopted in response to the 1972 Act, although 'strategy' is probably too formal a term for the approach of 'muddling through' displayed by some pragmatic leaders. On divisions of opinion within the Labour groups, Wauchope explains that despite vehement support for defiance, a serious split occurred among Camden's Labour councillors in August 1972 when a vote was taken in the council chamber.¹⁶⁰ He mentions that there was solid support for non-compliance across the political spectrum in the Labour group, whereas Sklair only mentions left-wing councillors being committed to taking on the government.¹⁶¹ There is also mention of a serious split in the Lambeth group by Ken Livingstone, who was a councillor there at the time.¹⁶² This thesis will identify splits in the Labour ranks that occurred in several of the boroughs.

As to the role played by local Conservatives in bringing pressure to bear on 'recalcitrant' councils, there is only slight coverage in the literature. Wauchope describes the tactics that they used as the opposition in Camden during the 1972 rents saga, including attempts to reverse Labour's defiant resolution. Late in 1972 Camden Conservatives lobbied the Secretary of State to bring Camden into line over the rent increases and to use the sanction of threatening to withdraw housing subsidies if it did not implement the rent increases.¹⁶³ This thesis will explore the activity of Conservative groups outside Camden in support of rent increases under the 1972 legislation.

Resistance to the Right to Buy Scheme and comparison with responses in 1972

Commentaries on local authority responses to the introduction of the Right to Buy scheme agree that there was no outright defiance of the government. As Stephanie Cooper puts it, 'no local authority broke the law in 1980 although about 50 councils offered some limited opposition'.¹⁶⁴ Forrest and Murie mention that before the legislation came into force some authorities, including Greenwich, threatened to defy

¹⁵⁹ Wauchope, *Camden*, pp. 82–3.

¹⁶⁰ Ibid.

¹⁶¹ Ibid.; Sklair, 'The Struggle Against the Housing Finance Act'.

¹⁶² Ken Livingstone, *If Voting Changed Anything, They'd Abolish It* (London: Collins, 1987) pp. 27–8.

¹⁶³ Wauchope, *Camden*, pp. 82–5.

¹⁶⁴ Cooper, *Public Housing and Private Property*, p. 105.

the 1980 Act, but they do not elaborate.¹⁶⁵ Research has shown that in 1980 Greenwich passed a resolution refusing to implement the Right to Buy and that the Labour leadership held to its stance for several months after the legislation came into effect. There are no accounts in the literature of splits occurring in Labour groups over the Right to Buy. This thesis will show that there was significant opposition within Labour groups to implementation in half of the selected boroughs, although the splits were less serious than in 1972.

Instead of flatly refusing to implement the Right to Buy scheme, most Labour authorities adopted strategies designed to deter prospective purchasers and to delay or obstruct individual sales.¹⁶⁶ Although Martin Daunton mentions that ‘the Housing Act of 1980 removed the ability of Labour councils to frustrate sales’, other authors refer to an array of ploys that they marshalled to block or delay.¹⁶⁷ It was the adoption of delaying tactics that encouraged the Environment Secretary to target Labour authorities that he considered especially ‘difficult’, and to arrange for Whitehall officials to monitor progress. Forrest and Murie deal in depth only with the situation in Norwich, but they provide the names of authorities which the Secretary of State considered to be particularly slow in responding to tenants’ applications during the first year of the government scheme. The list includes all the boroughs which are the subject of this thesis, except Southwark.¹⁶⁸ By October 1981 a formal warning was still in force against Greenwich, Hackney, Lambeth and Newham. Stephanie Cooper and Robert Power identify several tactics adopted by councils, including setting up complex bureaucratic procedures and deploying insufficient staff to handle sales. Some authorities also attempted to dissuade prospective purchasers by emphasising the expense of home ownership.¹⁶⁹ There is a consensus among authors that Greenwich was particularly ‘difficult’ in the tactics employed. This thesis will examine how councils coped during the early years of the Right to Buy with the constant monitoring of progress by Whitehall officials, and will describe how they managed to keep them at bay.

There is nothing in the literature to indicate that opposition to the Right to Buy was comparable to the defiant stand taken by a several councils in 1972. Cooper

¹⁶⁵ Forrest and Murie, *Selling the Welfare State*, p. 207.

¹⁶⁶ Cooper, *Public Housing and Private Property*, p. 106.

¹⁶⁷ Daunton, *A Property-Ownning Democracy?* p. 79.

¹⁶⁸ Forrest and Murie, *Selling the Welfare State*, p. 209. The authors based the data on information released by the DoE during Norwich council’s application to the Divisional Court for judicial review in December 1981.

¹⁶⁹ Cooper, *Public Housing and Private Property*, pp. 106–7; Robert Michael Power, ‘Council House Sales in Britain, with Special Reference to London and Incorporating a Case Study of the Borough of Havering’ (unpublished PhD thesis, London School of Economics, 1982) pp. 273–5.

attributes the ‘scant and short lived’ opposition partly to Labour groups having learnt from the experience of Clay Cross that head-on confrontation with ministers eventually led to Whitehall taking over the local service.¹⁷⁰ Forrest and Murie attribute the change in approach to acceptance of political reality in that ‘The mass mobilisation of tenants was unlikely because those in the better council housing would want to buy, and those in the dump estates would not think it was worth defending’.¹⁷¹ Cooper makes similar arguments, suggesting that the lack of public opposition to the sale of public assets was due to ‘the low esteem in which council housing was held and the general support for the Conservatives’ view that local authorities were grossly inefficient as both builders and managers.’¹⁷²

During the early days of the operation of the Right to Buy, Conservative members in Camden were scathing about a council leaflet issued to all tenants applying under the scheme explaining that property ownership was costly. One member complained of ‘socialist publicity’ being produced at ratepayers’ expense.¹⁷³ Authors describe the government strategy vigorously to enforce the operation of the Right to Buy scheme,¹⁷⁴ but there is virtually no mention of the involvement of local Conservatives in supporting prospective purchasers; I therefore explain how Conservative councillors in collaboration with local MPs alerted ministers to ploys adopted by Labour councils to obstruct or delay sales.

Conclusion

In introducing this thesis, it has been acknowledged that there were some underlying tensions in the relationship between town halls and Whitehall. Central government was in a more powerful position than local authorities in political battles between them because of the principle of parliamentary sovereignty. Furthermore, council housing was vulnerable to attack from the political right because it did not hold a secure position within the welfare state.

¹⁷⁰ Cooper, *Public Housing and Private Property*, p. 105.

¹⁷¹ Forrest and Murie, *Selling the Welfare State*, p. 203.

¹⁷² Cooper, *Public Housing and Private Property*, p. 106.

¹⁷³ Wauchope, *Camden*, pp. 121–2. Subsequently some former tenants found maintenance costs to be expensive, especially on flats.

¹⁷⁴ Cooper, *Public Housing and Private Property*, pp. 104–8; Forrest and Murie, *Selling the Welfare State*, pp. 207–10.

It has been observed that the Housing Finance Act 1972, which imposed a national system of 'fair rents' for council housing, was part of a trend that reduced local autonomy. What was seen by Labour councillors as an assault on their freedom under the Heath Government anticipated radical changes introduced by the administrations of Margaret Thatcher, beginning with the Right to Buy scheme under the Housing Act 1980. Both pieces of legislation provoked strong reactions from Labour councillors across the country. Several authorities threatened to defy the law in 1972 and a few did so. When the sale of council houses became mandatory eight years later, many Labour authorities were dilatory in operating the scheme and even sought to frustrate the government's intentions. Despite the strong reactions of London's Labour councillors to the two controversial measures, the only significant protests that occurred in support of non-compliance were from council tenants in opposition to 'fair rents'. There were no major protests by the wider public involving owner-occupiers and tenants of private accommodation, to either pieces of legislation. It is likely that the limited and ineffective resistance to the centralising trends during our period, that had a profound and lasting effect upon local autonomy, only accelerated the process.

As a study in municipal politics, this thesis focuses on the responses of eight London boroughs under Labour control to the legislation of 1972 and 1980 particularly within Labour groups, at formal council meetings and in negotiations with Whitehall. Although the high-profile battles between government ministers and Clay Cross and Norwich councils have been well documented in the literature, the coverage on the responses of London boroughs is sparse, except for Camden's 1972 rebellion. The thesis particularly examines: the fraught relations between the Labour boroughs and Whitehall over the legislation; the approaches council leaders adopted in complying with or defying the law; the effect on the cohesion of Labour groups of moves to defy the law, and the significance of the political orientation of Labour members. Some attention is given to the role that Conservative councillors played in seeking to persuade their opponents to abide by government policy. The research undertaken for the thesis relies mainly on written sources, but has been supplemented by some oral interviews.

There follow three groups of chapters that form the core of the thesis. Chapters One and Two provide an overview of developments that occurred in local politics in the selected authorities and the implications for borough politicians of changes in national housing policy. Chapters Three, Four and Five explore the boroughs' responses to the Housing Finance Act with Camden treated as a case study; Chapters Six, Seven and

Eight cover the boroughs' implementation of the Housing Act 1980 and their performance in operating the Right to Buy scheme up to 1983, with a case study of Greenwich.

CHAPTER ONE:

LONDON BOROUGH POLITICS AND PEOPLE, 1964–83

Throughout the 1970s and early 1980s there were significant changes in the political orientation of Labour groups in the boroughs being studied, although there were marked variations. Until the 1970s the Old Guard councillors with a conformist outlook largely held sway within groups after many uneventful decades of local government.¹ From 1971 changes began to occur in the composition of Labour groups that continued for over a decade. In broad terms, there was a replacement of long-serving councillors by younger members that resulted in a shift to the left. Some Labour groups were more resistant to change than others, but by 1982 most of the boroughs were under the control the left which introduced ‘radical forms of municipal socialism’.² This chapter examines the major changes in the composition and political outlook of Labour groups in view of the influence these factors were likely to have on the way councillors responded to Conservative housing policies. As the local rebellions in Poplar, St Pancras and Clay Cross were associated with left-wing leaderships, it is largely assumed in the literature that Labour groups dominated by the left would be more likely to put up resistance. We will see how far this assumption holds true for the London boroughs.

Despite the political changes in the period under review, the administrative organisation of the boroughs remained unchanged. London Labour groups normally met at least once during a cycle of committee meetings to discuss matters on the council agenda, to agree policy positions and tactics to adopt in the council chamber.³ The character of groups differed between the parties and varied around the boroughs according to local political culture, but it had much in common with Labour groups outside London.⁴ Labour groups were organised more tightly than the Conservatives, with national rules governing conduct and requiring members to comply with group discipline at council meetings, which meant abiding by policy agreed by the group

¹ John Davis, ‘From GLC to GLA: London Politics Then and Now’ in Joe Kerr and Andrew Gibson (eds.) *London from Punk to Blair*, 2nd edn (London: Reaktion Books, 2012) p. 97.

² Ibid.

³ John Gyford, *Local Politics in Britain*, 2nd edn (London: Croom Helm, 1984) p. 68.

⁴ J. G. Bulpitt, *Party Politics in English Local Government* (London: Longmans, 1967); G. W. Jones, *Borough Politics: A Study of the Wolverhampton Town Council, 1988–1964* (London: Macmillan, 1969); Kenneth Newton, *Second City Politics: Democratic Processes and Decision-Making in Birmingham* (Oxford: Clarendon Press, 1976); Peter Shapely, *The Politics of Housing: Power, Consumers and Urban Culture* (Manchester: Manchester University Press, 2007).

unless allowed a free vote.⁵ They followed the Labour tradition of members abiding by majority decisions made after ‘full and fair discussion’ so as to maintain solidarity.⁶ The implication was that a Labour councillor had to abide by group policy when speaking and voting in meetings. Some groups chose to adopt a looser form of discipline, as in Camden where members were permitted to disagree openly with the Labour group’s policy unless it imposed the whip.⁷ The Conservatives tended to be more flexible over discipline.

The term ‘leadership’ (plural) in this thesis refers to the leader, his or her deputy and the chairs of the main committees who were the members principally involved in initiating policy and defining strategy. The leadership had a significant influence drawing up agendas of committee meetings. I follow the official titles adopted by each council at the time, so use of the term ‘chairman’ until such time when a particular council switches to using ‘chair’. The London boroughs were organised on a conventional committee system, with a cycle of meetings – typically six-weekly. Committees were the usual forum to debate council business, being able to make firm decisions on items where the council had delegated authority to them; otherwise, they included a recommendation in their report to the ‘full council’. The public and press were able to attend full council meetings. The London boroughs allowed the press to attend committee meetings, and there was also a growing practice of allowing access for the public.⁸

This chapter provides an overview of the ‘character’ of local politics and introduces the leading politicians in the eight boroughs from their formation in 1964–5. There is an examination of the strength of the parties – mainly Labour and Conservative – after six local elections and important changes that occurred between elections. An explanation is given of changes that occurred in the leadership of Labour groups, tracing the fortunes of the party, and the break-away of the Social Democrats. Some information is also provided on the Conservative groups. The chapter is in two parts, the first covering the period up to the local elections in 1974 including the political background to the implementation of the Housing Finance Act 1972; the second part

⁵ Gyford, *Local Politics in Britain*, p. 67; Colin Copus, *Party Politics and Local Government* (Manchester: Manchester University Press, 2004) p. 127.

⁶ David G. Green, *Power and Party in an English City: An Account of Single-Party Rule* (London: George Allen & Unwin, 1981) p. 76.

⁷ Enid Wistrich, *Local Government Reorganisation: The First Years of Camden* (London: London Borough of Camden, 1972) pp. 79–80. Enid Wistrich was a Camden councillor during 1964–8 and 1971–4.

⁸ Press and public were excluded from a confidential part of the agenda which included personal details of individuals or sensitive information on contracts.

continues the overview up to the end of our period in 1983, and covers the early years of the implementation of the Right to Buy scheme.

1.1: WANING OF LABOUR'S OLD GUARD, 1964–74

The first three elections for councillors in London's 32 new boroughs showed volatile voting patterns with some massive swings, as shown in Appendix 2. The first elections, in May 1964, were for the 'shadow authorities', which did not assume full powers until 1 April 1965, while the existing authorities were wound down.⁹ The Labour Party did well in the polls and took control of the eight boroughs that are the subject of this thesis. Yet in May 1968 the Conservatives captured six of the boroughs, with only Newham and Southwark being retained by Labour. The party held only two others in London, namely Barking and Tower Hamlets.¹⁰ In May 1971 there was a Labour landslide at the polls leaving it in control of all eight boroughs again and 21 in London as a whole. Although various events influenced London voters in local elections, probably the most important factor was public opinion about the party in government.¹¹ This was part of a phenomenon which Jerry White has referred to as a 'pattern of Londoners voting in local elections largely in accordance with national preference'.¹² The 1964 borough elections were held at a time when national support for the Conservative government of Sir Alec Douglas-Home was at a low ebb, and Labour had been successful in the first Greater London Council elections a month earlier. The trend anticipated Labour's narrow victory at the general election. By 1967, however, the Wilson Government was generally unpopular because of its economic performance and the Conservatives took control of the GLC that year.¹³ The devaluation of the pound followed, but a more likely influence in 1968 was Enoch Powell's 'Rivers of Blood' speech in which he opposed the government's Race Relations Bill, a speech delivered a mere three weeks before the London elections. Despite Powell being sacked from the shadow cabinet, his controversial intervention appears to have affected support for Labour.¹⁴ The reversal in the fortunes of the two major parties in May 1971 has been attributed to the

⁹ W. Eric Jackson, *Achievement: A Short History of the London County Council* (London: Longmans, 1965).

¹⁰ Barking was later renamed Barking and Dagenham.

¹¹ Colin Rallings and Michael Thrasher (eds.), *Local Elections in Britain: A Statistical Digest* (Plymouth: University of Plymouth, 1993) p. viii.

¹² Jerry White, *London in the Twentieth Century: A City and Its People* (London: Viking, 2001) p. 388.

¹³ See Appendix 2 (B).

¹⁴ Anthony Seldon, *Major: A Political Life* (London: Weidenfeld & Nicolson, 1997) pp. 27–8.

unpopularity of the Heath Government's policies, including the recent publication of the 'Milk Bill' that banned free school milk for children aged seven and over.¹⁵

Political culture of the new boroughs

The Labour groups in control of the eight boroughs were mainly run by an Old Guard of established councillors. Prominent local politicians, whose local government service typically went back to the immediate post-war period or even earlier, included some who still figured in the events which are under consideration here. These included: Camden, Albert 'Jock' Stallard; Greenwich, Marie Kingwell; Hackney, Martin Ottolanguai; Islington, Bill Bayliss; Newham, Jack Hart and Southwark, Charles Sawyer. As in towns elsewhere in Britain where Labour had been in power for a long time, the Old Guard that ran the London borough Labour groups tended to be pragmatic and paternalistic, many having lost the 'radical edge' they had once displayed.¹⁶ They were part of the culture of Labourism, described in the 1970s as being pragmatic and practical, with a belief in an evolutionary approach to change and an 'ethic of responsibility'.¹⁷ They conformed to the Labour Party's 'respectable and conventional' approach, in that they accommodated statutes passed by Conservative governments.¹⁸ From the late 1960s this type of politician came under attack from within the party, but their strength lay in the fact that they were rooted in their local working-class communities and identified closely with the interests of council tenants. Sue Goss, who as a young, left-wing member of Southwark council in the 1980s disliked the Old Guard for being machine politicians, has revised her views as she has come to accept that in many respects they were sensible in preferring a pragmatic approach.¹⁹ Charles Clarke, the former Home Secretary, describes two leading politicians in Hackney, Martin Ottolanguai and John Kotz, as very decent people serving those who elected them. They were part of a Labour tradition of public service and civic leadership that went back at least to the 1930s.²⁰

At the time, the left-wing members who were first elected in the 1970s and 1980s were highly critical of the administrations of which the Old Guard formed part,

¹⁵ See Chapter Three.

¹⁶ Stewart Lansley, Sue Goss and Christian Wolmar, *Councils in Conflict: The Rise and Fall of the Municipal Left* (Basingstoke: Macmillan, 1989) p. 3.

¹⁷ Tom Forester, *The Labour Party and the Working Class* (London: Heinemann, 1976) p. 36.

¹⁸ H. M. Drucker, *Doctrine and Ethos in the Labour Party* (London: George Allen & Unwin, 1979) p. 4.

¹⁹ Sue Goss, *Local Labour and Local Government: A Study of Changing Interests, Politics and Policy in Southwark from 1919 to 1982* (Edinburgh: Edinburgh University Press, 1988); author's interview with Sue Goss, 13 June 2012.

²⁰ Author's interview with Charles Clarke, 30 January 2013.

especially where they were run by a tight clique who remained in power for many years by dispensing the patronage of appointing committee chairs and, ultimately, the mayoralty. Ken Livingstone, who was active in politics in Lambeth from the late 1960s has described the administration there:

Like many other inner-city Labour councils, a strong authoritarian, quite conservative Labour administration had been in power since the war, led by a handful of competent working-class men with strong roots in the local area. These men ruled over a group of mediocre councillors who were treated as lobby fodder.²¹

Although this picture is something of a caricature, it does contain an element of truth concerning some boroughs. Prime examples of councils run by a small clique of long-serving councillors were Islington and Newham. The practice there of keeping control through patronage had its origins in the constituent boroughs. Although there was a succession of new, younger members on Islington Metropolitan Borough in the 1940s and 50s, including some with a professional background, they were excluded from responsible positions, so tended to leave after a few years' service.²² The established members gained a reputation for being inactive and especially slow in acquiring and redeveloping decayed housing.²³ After the Metropolitan Borough merged with tiny Finsbury in 1964–5, a similar leadership under David Gwyn Jones remained in power, making decisions behind closed doors. According to one study, the Labour group was 'notorious for its inertia and callousness'.²⁴ Jack Straw, who served as an Islington councillor in the 1970s, recalls a 'Tammany Hall clique' there in 1970.²⁵ John Gyford cited West Ham County Borough as another example of political inertia: 'the majority Labour Group, led by Sam Boyce for three decades from the mid-1930s, largely avoided political principles as a topic of debate and concentrated on enjoying the patronage, power and prestige.'²⁶ Boyce became leader of Newham council on its inception in 1964 and remained in that position until he died in 1976.²⁷ Not only were Islington and Newham under one-party rule for many years; there was virtually no

²¹ Ken Livingstone, *If Voting Changed Anything, They'd Abolish It* (London: Collins, 1987) p. 15. Tony Benn made some highly critical comments on machine politicians in Bermondsey (Southwark) and 'many other municipalities' in his preface to Peter Tatchell, *The Battle for Bermondsey* (London: Heretic Books, 1983) p. 8.

²² Ruth Butterworth, 'Islington Borough Council: Some Characteristics of Single-Party Rule', *Politics, The Journal of the Australasian Political Studies Association*, vol.1, no.1, May 1966, pp. 21–31.

²³ Mentioned in Chapter Two.

²⁴ Prue Chamberlayne, 'The Politics of Participation: An Enquiry into Four London Boroughs, 1968–74', *London Journal*, vol.4, no.1, 1978, p. 50.

²⁵ Jack Straw, *Last Man Standing: Memoirs of a Political Survivor* (London: Macmillan, 2012) p. 80.

²⁶ Gyford, *Local Politics in Britain*, p. 63.

²⁷ *Newham Today*, September 1976, p. 1; www.newhamstory.com/node/2041 accessed on 13 Feb. 2013.

official opposition to challenge the Labour group's policies at council meetings.²⁸ Nevertheless, unlike Islington, West Ham County Borough had a reputation for getting things done, as indicated by the size of Newham's housing stock when the borough was formed, and as mentioned in Chapter Two.²⁹ Southwark was also under one-party rule throughout the period under review. Hackney was run on similar lines, except for three years under the Conservatives from 1968, but councillors were more prone to proclaim their adherence to socialism, as evident in the autobiography of long-serving councillor John Kotz.³⁰ One would not expect councils run by a conservative-minded Old Guard to rebel against housing policy that became law, however unpopular.

Camden Labour group, which was to take a defiant stand over the Housing Finance Act, did not conform to this Labourist stereotype. Enid Wistrich observed that in the 1960s, 'The general outlook was "left of centre" and a radical activist view pervaded'; furthermore, 'There was no marked division between "left" and "right" wing members'.³¹ The Labour group expressed its radical activism in policies to expand the council's social and welfare services, to introduce progressive town planning policies including the redevelopment of 'twilight' areas of the borough and an increase in the amount of council housing with attention to good design.³² The detailed analysis that Wistrich undertook, revealed that of the Labour councillors elected in 1964, over 60 per cent of the Labour group were employed in administrative, executive and professional work and most of those employed in a manual occupation, or who were council tenants, were from the former borough of St Pancras.³³ Nevertheless, over 80 per cent of Camden councillors had sat on one of the metropolitan borough councils.³⁴ The Labour groups on Brent and Greenwich councils displayed some of the characteristics of the Old Guard, but seem to have been more receptive to new ideas.

During the early years of the new councils, there could be tensions among councillors due to loyalty to a former metropolitan borough. In Southwark, where there had been different political cultures among the Labour groups in Bermondsey, Camberwell and the old Southwark Borough, members tended towards parochialism

²⁸ Use of the term 'one-party rule' as in Bulpitt, *Party Politics in English Local Government*.

²⁹ At beginning of Chapter Two.

³⁰ John Kotz, *Vintage Red: The Story of a Municipal Socialist* (Croydon: Manifesto Press/Labour Heritage, 2011).

³¹ Wistrich, *Local Government Reorganisation*, p. 97.

³² Mark Swenarton, 'The Housing Programme of the London Borough of Camden under Sydney Cook 1965–73', www.architecture.com/EducationAndCareers/ModernArchitectureAndTownPlanning/MarkSwenarton accessed on 10 February 2014.

³³ Wistrich, *Local Government Reorganisation*, pp. 65–73.

³⁴ *Ibid.*, p. 74.

over policy.³⁵ This was particularly evident with housing, as will be explained in Chapter Two. In Camden, on the other hand, ‘there were rarely conflicts between councillors of different metropolitan borough experience over area interests’.³⁶ There could have been conflict in Greenwich between Labour members in the Woolwich and those in the Greenwich Labour parties. Woolwich was more established and had several right-wing members in key positions; Greenwich tended to be more radical in its approach and run less as a machine.³⁷ According to John Cartwright, who became leader of Greenwich council in 1969, the Woolwich party was a well run ‘centralised professional organisation’ dating from the early twentieth century, whereas Greenwich was ‘amateurish’ in its organisation.³⁸ Although the Woolwich members tended to be more disciplined in adhering to group decisions – as will be seen in later chapters – there do not appear to have been significant problems associated with former borough loyalties. Many Labour members in the 1960s and early 1970s were elderly, had been around in the 1930s and 1940s and included some strong personalities.³⁹

Consequences of the 1968 Conservative landslide

Labour’s results in the May 1968 borough elections have been described as ‘devastating’, and followed the Party’s defeat in the GLC elections the previous year (Appendix 2).⁴⁰ A particular shock was losing control of both Hackney and Islington after 34 years in power and where the Conservatives had won no seats in 1964.⁴¹ Nevertheless, where Labour managed to retain control, in Newham and Southwark, the Old Guard remained entrenched, although Southwark had a new leader in John O’Grady. Elsewhere, there were no changes in the Labour group leaders, although Lambeth’s long-serving leader, Archie Cotton, died before the 1971 elections. The Conservatives were surprised with their success and many of those elected were unprepared for office. One newcomer to Greenwich council, Dermot Poston, describes the experience as a “baptism of fire” because he was immediately made a committee

³⁵ Goss, *Local Labour and Local Government*, pp. 70–1.

³⁶ Wistrich, *Local Government Reorganisation*, p. 98.

³⁷ Author’s interviews with John Austin, 28 June 2011, and Allan MacCarthy, 8 June 2012.

³⁸ Donoughue and Jones, *Herbert Morrison*, pp. 83–5; email from John Cartwright to the author, 31 March 2011.

³⁹ People such as Tom Smith, Ron Stuke and Mabel Crout: author’s interview with David Hubber, 17 December 2012.

⁴⁰ Ken Young and Gerald Rhodes, ‘The Electoral System and Elections’ in Gerald Rhodes (ed.) *The New Government of London: The First Five Years* (London: LSE/Weidenfeld & Nicolson, 1972) pp. 69–70.

⁴¹ *HG*, 14 May 1968, p. 1; *IG*, 14 May, 1968, p. 1.

chairman.⁴² In Hackney, the Conservative group were particularly unprepared. To improve their leadership, they looked outside the town hall and appointed a suitable local party member as an alderman to lead them over the next three years.⁴³ In Islington, the Conservative success at the elections was by no means marginal as they won 47 of 60 seats, with Labour losing three more to independent candidates.⁴⁴ Labour fared less badly in Camden and Greenwich. Of the eight boroughs, the Conservatives were most successful in Lambeth, where Labour retained only three of the 60 seats, and, after the aldermanic elections, a Labour majority of 32 was converted to a Conservative one of 54. John Major, who was personally successful in the Lambeth elections, records that Enoch Powell's notorious speech, 'turned a favourable Tory drift into an avalanche' and that some Conservative candidates (but not he) took advantage of the issue by supporting Powell during their campaign.⁴⁵ Nevertheless, overt racists do not seem to have been typical of the Conservative influx in the six boroughs.

There was some promising political talent amongst the Conservative councillors. The new Camden leader was Geoffrey Finsberg, who had served on Hampstead council from 1949.⁴⁶ Finsberg stepped down as leader of the council early in 1970, to stand for the Hampstead constituency in the June general election, at which he was successful.⁴⁷ According to his successor as council leader, Martin Morton, Finsberg had the merit of being highly conscientious, but was not great on foresight and lacked imagination.⁴⁸ In Lambeth, the new regime under the managerial Bernard Perkins had some progressive aims, as conceded by Ken Livingstone, who acknowledges that Perkins had a programme to expand public services, increase house-building and take action against bad landlords.⁴⁹ John Major was a young councillor particularly interested in housing because it was the 'big issue'.⁵⁰ Within a year he became chairman of the housing committee. A feature of the Conservatives was a number of younger members who had received higher education and were in professional employment. Islington's Pat Haynes

⁴² Author's interview with Dermot Poston, 23 June 2011. Poston became Conservative group leader some 12 years later (*KI*, 27 March 1980, p. 36).

⁴³ LBH, Council Minutes, 22 May 1968, p. 2; Kotz, *Vintage Red*, p. 85. The leader was Alderman Don Bridgehouse, who was to retire from office following the resounding defeat of the Conservatives in the 1971 local elections.

⁴⁴ Barnsbury Ward.

⁴⁵ Sir John Major, Prime Minister, 1990–7. John Major, *John Major: The Autobiography* (London: HarperCollins, 1999) pp. 39–40; White, *London in the Twentieth Century*, p. 391.

⁴⁶ Piers Wauchope, *Camden: A Political History* (Tunbridge Wells: Shaw Books, 2010) p. 36.

⁴⁷ Finsberg was to serve as a minister in the first Thatcher Government and became involved in enforcing the Right to Buy legislation – see Chapter Seven.

⁴⁸ Author's interview with Martin Morton, 12 December 2012.

⁴⁹ Ken Livingstone, *You Can't Say That: Memoirs* (London: Faber, 2011) p. 84.

⁵⁰ Seldon, *Major*, p. 30.

has observed that in their backgrounds they resembled the young middle-class Labour councillors who came onto the council in the 1970s.⁵¹

In most of the boroughs the Conservative administrations were moderate politically, and their outlook was similar to existing Conservative boroughs.⁵² They sought to keep rate increases to a minimum and to ensure that basic services continued to work effectively.⁵³ Martin Morton explains that as leader of Camden he aimed to achieve what was possible with the land and money available; so he was prepared to compromise.⁵⁴ The Greenwich Conservative leadership under a local newsagent, Charlie Miles, was fairly typical in having these aims. Of the six boroughs under Conservative control, Brent appears to have been the exception as it was singled out for criticism of its right-wing policies, including over housing. A *New Statesman* article in January 1971 criticised the administration for its ‘unique combination of political nastiness and administrative bungling’.⁵⁵ James Goudie, a Labour member of Brent council at the time, recalls that with the exception of an alderman on the liberal wing of the party, the Conservatives were more in the mould of Horace Cutler at the GLC.⁵⁶ The radical-right tendency was apparent in a commercial approach adopted in selling council houses.⁵⁷

As a consequence of the Conservatives holding office in the majority of London boroughs, they gained experience in raising rents and selling council houses, something that hardened their support for the Heath Government’s housing policy. Meanwhile, Labour’s loss of control led to a significant number of the Old Guard members retiring from office. During 1969 Millie Miller took over as the Camden group leader, and John Cartwright did so in Greenwich.⁵⁸ Many of the old cliques were finding their positions insecure because, as Panitch and Leys put it, ‘their power had been based on the ability of the local machine to keep producing electoral majorities.’⁵⁹ Young councillors, many new to the party, were unhappy with the Old Guards’ record in office, especially the

⁵¹ Pat Haynes, *An Islington Councillor 1971–1992* (London: Pat Haynes, 1994) p. 1.

⁵² As in John Dearlove, *The Politics of Policy in Local Government: The Making and Maintenance of Public Policy in the Royal Borough of Kensington and Chelsea* (London: Cambridge University Press, 1973).

⁵³ Author’s interviews with David Hubber, 17 December 2012, and John Mills, 8 February 2013.

⁵⁴ Author’s interview with Martin Morton, 12 December 2012.

⁵⁵ Christopher Price, ‘Still no soul in Torytown’, *New Statesman*, 22 January 1971, p. 102.

⁵⁶ Author’s interview with James Goudie QC, 18 June 2012. The Conservative alderman was Francis Pratt. For Horace Cutler’s housing policies, see Chapter Two.

⁵⁷ See Chapter Two.

⁵⁸ The retiring Old Guard leaders were: Camden, Charlie Ratchford; Greenwich, Tom Smith.

⁵⁹ Leo Panitch and Colin Leys, *The End of Parliamentary Socialism: From New Left to New Labour*, 2nd edn (London: Verso, 2001) p. 29.

types of housing estates they had built and their neglect of ethnic minorities.⁶⁰ Ken Livingstone and Pat Haynes, who both became councillors in 1971, independently concluded that, to the young activists, the Conservative administrations seemed more progressive in some of their policies than the previous Labour leaderships.⁶¹

A significant proportion of the activists was a new type of councillor whom Jerry White associates with gentrification of run-down districts. He states that at the end of the 1960s:

With the party flung into opposition, it became easy for middle-class newcomers to make a mark. Well educated, articulate, trained to argue, their self-confidence often honed by working in the media or in professions (like law and architecture) which brought special and useful knowledge to party discussions, the gentrifiers formed alliances dedicated to moving the party in new directions.⁶²

Parts of London where significant gentrification was taking place between the 1960s and 1980s included: Camden, Islington and Lambeth. The process gradually spread to Hackney.⁶³ Panitch and Leys identify the entrants as ‘new middle class’ and similar to ‘the stuff of which the Parliamentary Labour Party had increasingly been made for decades’ except they were more interested in council membership than seeking nomination for a parliamentary seat.⁶⁴ But they differed culturally from the Old Guard councillors, most of whom had long-standing links with their local areas over which time they had developed strong relationships with the council tenants and their organisations. The younger councillors tended to have a more detached view about the council estates which had been developed by an earlier generation of Labour politicians. A question that this thesis addresses is whether there was a difference in view between the two types of councillors over the strategy to adopt in opposing changes in housing policy introduced by the Heath Government.

⁶⁰ White, *London in the Twentieth Century*, pp. 392–3.

⁶¹ Andrew Hosken, *Ken: The Ups and Downs of Ken Livingstone* (London: Arcadia Books, 2008) p. ix; Haynes, *An Islington Councillor*, p. iv, pp. 1 and 2. Livingstone and Haynes were both on the left of the party, but whereas the former was at this time hard left, the latter was a staunch Fabian.

⁶² White, *London in the Twentieth Century*, p. 392.

⁶³ Ruth Glass in ‘Introduction’ to Centre for Urban Studies (ed.) *London: Aspects of Change* (London: MacGibbon & Kee, 1964) pp. xviii and xix; Chris Hamnett and Peter Williams, ‘Social Change in London: A Study of Gentrification’, *London Journal*, vol.6, no.1, 1980, p. 52; Author’s interview with Charles Clarke, 30 January 2013.

⁶⁴ Panitch and Leys, *The End of Parliamentary Socialism*, p. 33.

Labour councils which opposed Heath's 'fair rents'

At the borough elections on 13 May 1971, the Labour landslide led to the party regaining control of the six boroughs lost to the Conservatives three years earlier and increasing their representation in Newham and Southwark, as shown in Appendix 2. The *Islington Gazette* ran the headline, 'As you were! Tory rule ends after three years'.⁶⁵ But there was not simply a return to the status quo because of the influx of young members in some boroughs, many of whom were the new type of councillor. The significance of this phenomenon for local politics in Islington and Lambeth was observed by Iltyd Harrington, a Labour GLC member and journalist, in a perceptive article in the *New Statesman*, 'Young Turks of the Town Halls'.⁶⁶ According to him, the average age of councillors in these boroughs was about 30 and many were new to politics. Typically they were members of the 'new middle class' and so culturally and politically different from the main body of established councillors.

In choosing a leader, the Islington group re-elected David Gwyn Jones as a stop-gap in anticipation of him soon retiring from office. The influence of the Young Turks was evident in the choice of the 40-year-old Gerry Southgate, as his deputy in preference to the Old Guard candidate Bill Bayliss. Southgate had only been on the council since 1968, though he had previous experience in Croydon.⁶⁷ In Lambeth, the young Labour members managed something of a coup by electing two of their generation as leader and deputy: councillors Charles Dryland and Mike Petrou.⁶⁸ The latter was on the left of the party, but Dryland was centrist, though initially prepared to work with the left.⁶⁹ Ken Livingstone has described the sectarian manoeuvrings within the Labour group which led to the left failing to secure the main chairmanships.⁷⁰ In the left's fight-back, it considered the Housing Finance Bill to be the most crucial issue during the term of the 1971 council. Meanwhile in Islington during May 1972, at a time when Labour groups were preoccupied with debates over the Housing Finance Bill, Gerry Southgate became leader. Pat Haynes recorded in his diary that Southgate was 'seen as an intelligent and progressive counterweight to Bill Bayliss.'⁷¹

⁶⁵ *IG*, 18 May, 1971, p. 1.

⁶⁶ Iltyd Harrington, 'Young Turks of the Town Halls', *New Statesman*, 16 July 1971, p. 77.

⁶⁷ www.guardian.co.uk/politics/2011/oct/12/gerald-southgate-obituary accessed on 25 May 2012; *IG*, 28 April 1972, p. 2, 'Labour man's rapid rise to power'.

⁶⁸ Harrington, 'Young Turks of the Town Halls', p. 77.

⁶⁹ Livingstone, *If Voting Changed Anything*, pp. 19–21.

⁷⁰ *Ibid.*

⁷¹ *IG*, 28 April 1972, p. 2; Haynes, *An Islington Councillor*, p. 13.

There were many new members in Camden, as only 23 (including the mayor) in the Labour group of 54 had served previously, which meant that 60 per cent were new to the council.⁷² But the impact of the influx was less than for the Labour groups in Islington and Lambeth. One probable explanation is that the predominant outlook of the group was already ‘radical activist,’ as noted by Enid Wistrich, and with a number of middle-class professionals;⁷³ another reason is that although the group contained councillors from varied backgrounds, including a contingent of working-class members, they mixed well.⁷⁴ Frank Dobson gives credit to the leader, Millie Miller, for this as she succeeded in bringing together members of all ages, backgrounds and political leanings, so enabling the group to gel satisfactorily.⁷⁵ Miller held centrist Labour views, but Ken Livingstone acknowledges that she, like her successor Frank Dobson, ‘provided strong leadership and a sense of purpose’.⁷⁶ The effectiveness of her leadership in the council’s fight with the government over the Housing Finance Act is considered in Chapter Five.

In Brent, Alderman Phil Hartley became leader with the Old Guard retaining most of the committee chairs.⁷⁷ Greenwich Labour group already had a young leader in John Cartwright, but, being well established locally, he had the support of the Old Guard.⁷⁸ Cartwright showed signs of being a gifted politician and, in the opinion of former MP John Austin, was one of the ablest operators in the Labour Party at the time.⁷⁹ A Conservative councillor recalls that he came across as a straightforward, honest character who said what he believed.⁸⁰ Because there were so many new members in 1971, the Labour group appointed an experienced member to the chair and a new councillor as vice-chair of each committee. On the housing committee these were Mervyn ‘Jeff’ Jeffrey and newly elected Margrett Bell.⁸¹

In Newham and Southwark, the Old Guard remained securely in control, and Hackney carried on as before the 1968 reversal.⁸² Sally and Lou Sherman were a powerful

⁷² See Appendix 7. LBC, Council Minutes, 26 May 1964, Minutes of the Annual Meeting of the Council, 22 May 1968, Minutes of the Annual Meeting of the Council, 26 May 1971; Wauchope, *Camden*, pp. 343–50.

⁷³ Wistrich, *Local Government Reorganisation*, p. 97.

⁷⁴ Author’s interview with John Mills, 8 February 2013.

⁷⁵ Author’s interview with Frank Dobson MP, 4 July 2012. Dobson succeeded Millie Miller as leader.

⁷⁶ Livingstone, *If Voting Changed Anything*, p. 95.

⁷⁷ *WBC*, 21 May 1971, p. 1.

⁷⁸ Rita Rhodes, *An Arsenal for Labour: The Royal Arsenal Co-operative Society and Politics 1896–1996* (Manchester: Holyoake Books, 1998); email from John Cartwright to the author, 31 March 2011.

⁷⁹ Author’s interview with John Austin, 28 June 2011.

⁸⁰ Author’s interview with David Hubber, 17 December 2012.

⁸¹ Author’s interview with Margrett Bell, 29 September 2011.

⁸² LBH, Agenda of Annual Meeting of the Council, 26 May 1971; Minutes of Annual Meeting of the Council, 26 May 1971, pp. 1–4; *HG*, 18 May 1971, p. 1; Kotz, *Vintage Red*, p. 90.

combined presence on Hackney council, the latter becoming chairman of the London Boroughs Association in June 1971.⁸³ In the three boroughs there was no significant challenge from radical young members until the early 1980s. In Newham, Alderman Sam Boyce continued as leader with Alderman Jack Hart his deputy.⁸⁴ Southwark council retained John O’Grady as leader.⁸⁵

The Conservatives were now numerically in a weak position in all the boroughs – in Newham they had no councillors at all. Even in Brent, where they had solid representation, they could easily be out-voted in the council chamber. In Camden, the Conservatives had an astute leader in Alderman Martin Morton, with capable colleagues Alan Greengross and Julian Tobin, who in turn became leaders of the opposition. The Greenwich group had two very different leaders in this period, pragmatic local trader Charlie Miles and right-wing City man, Ian Davison, who took over in 1971.⁸⁶ The innovative leader in Lambeth for the previous three years, Bernard Perkins, was no longer on the council, and a casualty of the 1971 elections was John Major.⁸⁷ If he had been returned to the council, he felt that he would have had a good chance of becoming group leader in view of his success as housing chairman.⁸⁸ The experienced Peter Carey was appointed group leader, a position he held until 1979. While in Islington the opposition was largely inconspicuous, in Hackney, the former Liberal Joe Lobenstein began his first year as opposition leader by asking some probing questions of the Labour leadership at full council.

This section provides some indication of the potential for the 1971 councils to rebel against the Housing Finance Act when introduced. The three boroughs dominated by an Old Guard – Hackney, Newham and Southwark – could be expected to adopt a conformist approach if they were to follow their Labourist inclinations. A challenge to routine compliance with the new Conservative legislation would be more likely to occur where there was a significant body of new members such as the Young Turks in Islington and Lambeth. But it is clear from the literature that only Camden mounted sustained resistance to implementing the 1972 Act. An explanation could be that the Labour group there had a radical activist leadership and had seen an influx of young

⁸³ *HG*, 18 June 1971, p. 9.

⁸⁴ *LBN*, Minutes of Annual Meeting of the Council, 25 May 1971, p. 3.

⁸⁵ *LBS*, Minutes of Annual Meeting of the Council, 26 May 1971, p. 8.

⁸⁶ Author’s interview with David Hubber, 17 December 2012.

⁸⁷ *LBL*, Agenda of Annual Meeting of the Council, 26 May 1971, pp. 5 and 7.

⁸⁸ Seldon, *Major*, p. 35.

councillors. Brent and Greenwich were a mix of Old Guard and younger influences and so were an unknown quantity.

From the rough profiles of the boroughs presented here, there would seem to be a potential for splits between the established and the younger, more idealistic councillors. Nevertheless, the Old Guard members were wedded to council housing and so might be more inclined to fight for their tenants and the autonomy over rent-fixing than the new middle-class members, many of whom were relatively new to the area. As to the role that Conservatives might be expected to perform in support of implementation of the legislation, they could easily be outvoted in the boroughs (as could the Ratepayers in Newham) while Labour groups remained united. If there was a split in the majority party, Brent appeared to be the most vulnerable to a swing in the vote. It is clear from the literature that a serious split occurred in the Camden Labour group. On the basis of a straight switch in support, it would have required over 19 of the group of 54 (35 per cent) to vote with the Conservatives to overturn the group's defiant policy. However, this ignores the potential for non-attendance at meetings and abstention from voting – factors that are explored in Chapter Five.

1.2: OPPOSITION TO GOVERNMENT RESTRICTIONS, 1974–83

1974 to 1978: Labour in control of town halls and government

Labour performed almost as well in the May 1974 borough elections as three years earlier (see Appendix 2) with candidates benefiting from the growing unpopularity of the Conservatives nationally following the general election on 28 February, when the Heath Government was voted out of office.⁸⁹ A description of the 1974 result in Camden as, 'another bashing for the Tories', applied generally to the results in London.⁹⁰ In the six boroughs captured by the Conservatives in 1968, their representation was further reduced by the loss of aldermen replaced with Labour's appointees.⁹¹ Consequently, Hackney and Islington councils were without a minority party.

⁸⁹ Anthony King (ed.), Robert J. Wybrow (compiler), *British Political Opinion 1937 – 2000: The Gallup Polls* (London: Politico's, 2001) pp. 11–2.

⁹⁰ Wauchope, *Camden*, p. 92.

⁹¹ An exception was Greenwich where one Conservative alderman was appointed.

For the four years that the councils elected in 1974 were in office, there was a Labour government in power. Although it was to be the last time that finance was reasonably plentiful for London authorities, the government increased controls over capital expenditure, following Anthony Crosland's 'the party is over' speech of May 1975. Although intended to be only temporary, the restrictions particularly affected capital expenditure on housing and presaged the more substantial and long-lasting cuts that were to follow under the Thatcher Government after 1979.

In 1974 the Labour government repealed the controversial parts of the Housing Finance Act, and so the boroughs were once again in control of rent-fixing. But some ramifications were felt locally due to the splits in some Labour groups: Millie Miller (who stepped down as Camden's leader in favour of Frank Dobson in May 1973 to concentrate on fighting the next general election) suffered a humiliating snub by the Labour group. As she failed to win the contest for a parliamentary seat in 1974 and did not stand at the local elections, she put her name forward for the aldermanic ballot, but was passed over by the Labour group. Wauchope attributes the rebuff to dissatisfaction with the way she had handled the battle over the Housing Finance Act:

She had bruised the right wing of the group when she stood with the left, and she bruised the left when she stood with the right. No one forgot their wounds and both sides saw her as an opportunist. Never mind how obscure and lacklustre other applicants were, they did not have her baggage.⁹²

In Lambeth, the consequences were wider within the local Labour Party. Left-wing activists, including Ken Livingstone and Ted Knight, worked to take control of Norwood Labour Party, with the principle aim of de-selecting sitting councillors.⁹³ They considered the attitude taken to implementation of the Housing Finance Act as a crucial test. As Lansley, Goss and Wolmar put it:

The Left saw the demarcation line as the attitude towards the Housing Act 1972, when only 18 of the 51 [Labour] councillors voted in defiance of the Act. By 1974 Norwood, the most radical of the constituency parties, had organised a Left caucus which ensured that any councillor who refused to defy the Act was deselected.⁹⁴

⁹² Wauchope, *Camden*, p. 93.

⁹³ John Carvel, *Turn Again Livingstone* (London: Profile Books, 1999); interview with Lord Lipsey, 4 February 2013.

⁹³ Carvel, *Turn Again Livingstone*, p. 35.

⁹⁴ Lansley et al., *Councils in Conflict*, p. 15.

Nevertheless, the political balance of the council's Labour group moved decidedly to the right in the spring of 1974 when Alderman David Stimpson, was chosen as leader.⁹⁵ Stimpson held the position for the next four years, but differed from earlier right-wing leaders, in being 'relatively open and progressive'.⁹⁶ The right was also successful in appointing the committee chairs, with the former leader Charles Dryland given responsibility for housing, a move which seems to have been an attempt to neutralise the radical Ken Livingstone. So the Young Turks found themselves outmanoeuvred and relegated to the backbenches. Livingstone attributed the change to a 'decline in radicalism' within the Labour group after the left were outvoted in opposing implementation of the Housing Finance Act.⁹⁷ Alternatively, the explanation may have been a reaction to the tactics employed by hard-left activists to gain control of local parties. By contrast, in Islington the radical activist elements associated with the Young Turks consolidated their position in the mid-1970s under the leadership of Gerry Southgate. The nature of the left in the two boroughs differed: whereas in Lambeth there were prominent hard-left politicians extending their influence, the new Islington councillors largely consisted of Fabians with less radical aims.⁹⁸

Arthur Capelin became the new leader in Greenwich in 1974 when John Cartwright resigned to concentrate on national politics.⁹⁹ Frank Dobson was leader of Camden for only a little over two years until he stepped down on taking up an appointment with the Local Government Ombudsman. Roy Shaw replaced him.¹⁰⁰ Both Capelin and Shaw were politically centrist.

In Hackney, Newham and Southwark, the Old Guard retained their grip on the leadership. In Newham, Alderman Jack Hart became leader in 1976 on the death of the veteran Sam Boyce.¹⁰¹ This may appear to have been a temporary appointment since Hart had already been a local councillor for 40 years, but he continued in office until 1985. With Hart's elevation, the group appointed the right-wing Bill Watts as deputy

⁹⁵ *SLP*, 6 October 1981, p. 1; Lansley et al., *Councils in Conflict*, p. 15.

⁹⁶ Lansley et al., *Councils in Conflict*, p. 15.

⁹⁷ Livingstone, *If Voting Changed Anything*, p. 28.

⁹⁸ The term 'hard-left' is used in this thesis for the ideological position of politicians such as Ken Livingstone and Tony Benn as it evolved during the 1970s. It is distinct from 'far-left' as it was not revolutionary: Anthony H. Birch, *The British System of Government*, 8th edn (London: Unwin Hyman, 1990) pp. 71–2; Hosken, *Ken*, p. ix.

⁹⁹ In the 1970 general election, John Cartwright lost to Edward Heath in Bexley constituency; he was unsuccessful again in the February 1974 general election. He then switched to Woolwich East constituency as a replacement for Christopher Mayhew, and was elected MP.

¹⁰⁰ *HHE*, 8 August 1975, p. 1; Wauchope, *Camden*, pp. 94–5 and 395.

¹⁰¹ *Stratford and Newham Express*, 9 July 1976, p. 5; 16 July 1976, p. 5.

leader and retained him as chairman of housing.¹⁰² In Brent, Phil Hartley retired as leader, which allowed his protégée, James Goudie, to succeed him in 1977 but he was only to serve for one year.¹⁰³

Tensions between the left and right wings of some Labour groups became evident and this was a trend which was to grow over the next few years, leading to party splits over policy issues. An indication of the bitterness between left and right is clear from certain diary entries of Pat Haynes which described the relationship in terms of ‘them’ and ‘us’.¹⁰⁴ Gerry Southgate remained safely in the leadership position in Islington as the loose alliance of members on the left and centre managed to keep the right out of key chairs.¹⁰⁵ Apart from the left-wing Margaret Watson (later Hodge) on the housing committee, the left had to be content with the chairs being filled with centrist members.¹⁰⁶ In Lambeth there was a decisive split between David Stimpson’s right-wing leadership and hard-left members who were gaining strength, especially in the Norwood constituency. Although Stimpson’s leadership came increasingly under threat, right-leaning members of the group were sufficiently influential to stave off a challenge from Ted Knight until the 1978 elections.¹⁰⁷

With the exception of Brent and Lambeth, the borough leaders in place immediately before the 1978 local elections were still in office when the Right to Buy legislation was introduced in 1980. After the 1978 elections Lambeth appointed the far-left Ted Knight as leader, while Brent was led by John Lebor who was ‘fairly middle of the road’ in his politics.¹⁰⁸

The Labour councils which opposed the Right to Buy

The councils elected in May 1978 operated during a period of exceptional change in national politics: the final year of Callaghan’s Government, the infamous ‘winter of discontent’, followed by three years of the first Thatcher Government. Ward boundary changes altered the number of seats available in local elections in six of the boroughs in 1978, and the abolition of the aldermanic seats further affected the number of members on all councils, as detailed in Appendix 2. At the polls in May, the Conservatives

¹⁰² NR, 19 March 1981, p. 1; LBN, Minutes of Annual Meeting of the Council, 19 May 1981, p. 5.

¹⁰³ WBC, 31 October 1980, p. 1; author’s interview with James Goudie QC, 18 June 2012.

¹⁰⁴ Haynes, *An Islington Councillor*, pp. 68–9.

¹⁰⁵ Ibid., p. 25.

¹⁰⁶ Ibid., pp. 2–3, 25 and 51–2.

¹⁰⁷ SLP, 4 May 1979, pp. 16 and 49.

¹⁰⁸ WBC, 30 November 1979, p. 5.

increased their representation significantly in Camden, Greenwich and Lambeth. Although in Brent their gains were only modest, the Labour group's majority was reduced to 12 due to the loss of its aldermen. In Camden Labour's majority plummeted from 46 to a marginal seven after the 1978 elections. The party celebrated comfortable majorities elsewhere. No one could have foreseen that during the last year in the life of the 1978 councils, Labour majorities would be whittled away by defections to a new political party, the SDP.¹⁰⁹

The Labour groups in Hackney, Newham and Southwark remained under the firm control of their Old Guard leaderships with Martin Ottolanguì soldiering on in Hackney, despite ill health, until resigning in 1981 to allow his long-term friend, John Kotz, to take over. Elsewhere – in Brent, Camden, Greenwich and Islington – the Labour groups had centrist leaders, with Roy Shaw, Arthur Capelin and Gerry Southgate being reappointed in 1978 and John Lebor taking over from James Goudie. The atypical borough was Lambeth, where the hard-left Ted Knight succeeded in dislodging David Stimpson as leader in May 1978. Labour was returned with fewer members, but with a manageable majority, as can be seen from Appendix 2. Anticipating changes which were to occur in some other Labour groups in the 1980s, the hard left held sway. A Marxist author approvingly recounts that, 'the local government elections of 1978 produced a strong left-wing slate of councillors across the borough as a whole; and Ted Knight was elected Labour Leader of Lambeth Council'.¹¹⁰ But the hard left was in a minority, and Knight relied on the support of soft left¹¹¹ and centrist members determined to prevent the return of the former right-wing leadership.¹¹² The opportunity arose partly due to a mass exodus of sitting members before the local elections, some having been de-selected following the Knight–Livingstone campaign. Many of those who departed were on the right or centre of the party and included Ewan Carr and Charles Dryland. But the radical Ken Livingstone also decided not to stand again after being adopted as prospective Labour Party

¹⁰⁹ LBI, Council Minutes Extraordinary Meeting, 10 December, 1981, p. 423; Council Minutes Extraordinary Meeting, 17 December, 1981, p. 430; *WBC*, 11 December, 1981, p. 7.

¹¹⁰ Peter Latham, *The State and Local Government: Towards a New Basis for Local Democracy and the Defeat of Big Business Control* (Croydon: Manifesto Press, 2011).

¹¹¹ The term 'soft left' is used in this thesis for the ideological position developed by the left in the Parliamentary Labour Party from 1945, and is particularly associated with the Tribune Group: Birch, *The British System of Government*, pp. 71–2; Hosken, *Ken*.

¹¹² Lansley et al., *Councils in Conflict*, p. 15.

candidate for Hampstead constituency. He moved to Camden, standing successfully for the council in May 1978 and immediately becoming chairman of housing.¹¹³

Although David Stimpson warned that Ted Knight would lead to a Marxist administration, for the first three years there was no public clash between Labour members over the direction of policy.¹¹⁴ Yet Peter Mandelson, who was elected to the council in 1979, has recorded his memories of the enormous gulf between the political outlook of the Trotskyists in the Labour group and the ‘moderates’, such as himself and Roger Liddle.¹¹⁵ On assuming power, Knight concentrated on strengthening the leadership’s position in relation to the chief officers, to overcome what he called the ‘the inertia of the bureaucracy’ and hand politicians greater control of council business.¹¹⁶ With the advent of a Conservative government in 1979 that was determined to reduce public expenditure and confront local authorities on their spending plans, Ted Knight readily took up the challenge to fight back. He was to become renowned nationally as ‘Red Ted’, due to his campaigning against government policy on cuts, local authority budgets and rate-fixing.¹¹⁷ Knight urged local authorities and unions to work closely together in a confrontation with the government.¹¹⁸ At the Labour Party’s Annual Conference in the autumn of 1980, he moved a popular resolution condemning Heseltine’s cuts.¹¹⁹ But his efforts were shunned by Labour’s local government spokesman, Roy Hattersley who warned that if any local authority broke the law in the way that Clay Cross had done, attention would be diverted from fighting the cuts to the conduct of local councillors.¹²⁰ Some Labour council groups were of the same view that Knight’s combative approach would be counter-productive.¹²¹ In particular, John Lebor, the Brent leader, was openly dismissive of Knight’s campaign slogan, ‘No cuts in services, no rate increases’, calling it ‘infantile leftism’.¹²² In his own borough, Lebor

¹¹³ See Chapter Two.

¹¹⁴ *SLP*, 8 September 1978, p. 16; 4 May 1979, pp. 16 and 49.

¹¹⁵ Peter Mandelson, *The Third Man: Life at the Heart of New Labour* (London: HarperCollins, 2010) pp. 63–5.

¹¹⁶ *SLP*, 8 September 1978, p. 16; Jeff Rodrigues, ‘Ted Knight: Interviewed by Jeff Rodrigues’, *Marxism Today*, January 1981, pp. 11–16.

¹¹⁷ *The Times*, 21 March 1980, p. 14.

¹¹⁸ *KI*, 24 July 1980, p. 2; *SLP*, 15 August 1980, p. 1; 21 October 1980, p. 1.

¹¹⁹ The Labour Party, *Report of the Annual Conference and Special Conference of the Labour Party 1980*, pp. 111–13 and 119.

¹²⁰ Peter Taaffe and Tony Mulhearn, *Liverpool – A City That Dared to Fight* (London: Fortress Books, 1988) p. 70.

¹²¹ *The Times*, 3 November 1980, p. 3.

¹²² *Ibid.*; John Lebor, *Looking Back Without Anger* (London: John Lebor, n.d., c.2008) p. 112.

came under increasing pressure from the left and resigned as leader in May 1981 when the ‘moderate’ Tom Bryson took over with the left’s support.¹²³

During the life of these councils factional infighting between left and right in Labour groups became intense, leading to some swings in the appointment of chairs. In Camden, left-wing chairs appointed in 1978 were replaced in May 1980, including that of Ken Livingstone as housing chairman.¹²⁴ Livingstone had been unsuccessful as Labour candidate for Hampstead constituency in the 1979 general election, when the Conservative Geoffrey Finsberg retained his seat. Livingstone moved from the borough to pursue a parliamentary career in Brent, which led to him resigning from Camden council early in 1982.¹²⁵ By then he was the high-profile GLC leader. In Islington the situation was particularly volatile, with the left taking key positions in May 1978 only for the right to regain them the following year.¹²⁶ John Lebor spent much of his time preventing splits in the Brent Labour group and, according to one commentator, this led him to ‘throw chunks of red meat to the radicals’, making him appear more to the left than he would have liked.¹²⁷ Issues that caused splits within the groups during the term of the councils elected in 1978 included proposals for new town halls, the sale of vacant and unimproved houses and the transfer of GLC housing.¹²⁸ There were major disputes over the interconnected issues of government cuts, setting annual budgets and rates and raising council house rents.¹²⁹

As to the Conservative opposition, Arthur Rolfe became Greenwich Conservative group leader in 1979, but his deputy, Wendy Mitchell, was the party’s main spokesperson on the Right to Buy.¹³⁰ Complaints in the council chamber about delays to house sales were well supported by Peter Bottomley, Conservative MP for Eltham. He was joined in attacks on Greenwich council by the erstwhile leader, John Cartwright, in his capacity of Woolwich East MP, after defecting to the SDP. Julian Tobin succeeded Alan Greengross as Camden’s opposition leader in 1979. In a campaign by the Conservative group against the council’s level of spending, Tobin forced the Labour leadership to defend a no-confidence motion in the council chamber,

¹²³ *WBC*, 1 May 1981, p. 1.

¹²⁴ *HHE*, 28 March 1980, p. 1.

¹²⁵ *HHE*, 12 February 1982, p. 16; *LBC*, Minutes of Council Meeting, 17 February 1982, p. 74.

¹²⁶ *IG*, 25 May 1979, p. 2; Haynes, *An Islington Councillor*, pp. 84–6 and 97–100.

¹²⁷ *WBC*, 30 November 1979, p. 5; 8 August 1980, p. 8.

¹²⁸ For example: *SLP*, 10 July 1979, p. 1; *IG*, 24 October 1980, p. 1; *KI*, 28 December 1979, pp. 1 and 24.

¹²⁹ For example: *IG*, 5 October 1979, p. 2.

¹³⁰ *LBG*, Minutes of Annual Meeting of the Council, 16 May 1979, p. 13.

a move which was unprecedented according to the local press.¹³¹ Tobin was followed by the acerbic Tony Kerpel in 1981. According to Piers Wauchope, the choice of Kerpel was more to do with style and effectiveness than ideology, though Labour member John Mills considers him to have been more contentious and less liberal than his predecessors.¹³² Kerpel had worked with Edward Heath, but spoke more like a Thatcherite. Peter Carey's eight-year spell leading Lambeth's Conservatives also came to an end in 1979 when Robin Pitt succeeded him, despite only serving his first term on the council.¹³³ In 1980 there was a change in Brent, because the opposition group wanted to be more effective, and the low-profile Dennis Jackson was replaced by David Harvey.¹³⁴ The remaining Conservative groups had minimal representation, so the group leader was in a frustrating position. Toby Eckersley in Southwark (from 1979) was effective in opposition and former Labour councillor, Sue Goss, recognises that the opposition was well organised under his leadership.¹³⁵ Eckersley explains that he challenged the ruling group by asking questions on items on the committee agenda which needed rethinking, so that Labour might defer making a decision.¹³⁶ In Hackney, Joe Lobenstein acted as the sole opposition member for much of the time, but on occasions he could be effective in the council chamber.

When the growing polarisation nationally between left and right in the Labour Party came to a head with the formation of the Social Democratic Party by the 'Gang of Four' in March 1981, some borough councillors decided to join. The break-away from Labour occurred when the boroughs were beginning to come under pressure from the DoE over the operation of the Right to Buy scheme. Some defections among Labour councillors followed, although the impact of the new party was insignificant in Hackney, Newham and Camden. In the latter borough, where the former councillor Ernest Wistrich set up an SDP branch, only two other Labour councillors followed.¹³⁷ Similarly, there were only a few defectors in Lambeth, though they included the former leader, David Stimpson.¹³⁸ In Greenwich, John Cartwright MP, who was politically close to Shirley Williams, declared his intention to join the new party when the 'Gang

¹³¹ LBC, Council (Special Meeting) 8 October 1980, pp. 1b–1c; *HHE*, 10 October, p. 64.

¹³² Wauchope, *Camden*, p. 127; author's interview with John Mills, 8 February 2013.

¹³³ *SLP*, 19 January 1979, p. 2.

¹³⁴ *WBC*, 4 April 1980, p. 9; 11 April 1980, p. 1.

¹³⁵ Author's interview with Sue Goss, 13 June 2012.

¹³⁶ Author's interview with Toby Eckersley, 24 October 2012.

¹³⁷ *HHE*, 24 July 1981, p. 68. Nicholas Bosanquet, the housing chairman, was a defector.

¹³⁸ *SLP*, 18 September 1981, p. 16; 6 October 1981, p. 1; 27 October 1981, p. 5.

of Four’ was making the break with Labour.¹³⁹ His move encouraged six Labour councillors to follow over the next twelve months. In Southwark, as many as 15 Labour councillors switched allegiance to the SDP, including the veteran Charles Sawyer, but the size of the group’s majority was sufficient to withstand the loss.¹⁴⁰ In contrast, in Brent where the majority was small, the impact of losing six councillors left Labour without an overall majority by the end of 1981.¹⁴¹

The rise of the SDP was especially significant in Islington where the Party gained control in December 1981. By the autumn the SDP had grown to 22 council members, probably making it the largest group on any council in the country, including Gerry Southgate and Bill Bayliss.¹⁴² The new party took control of the council after a by-election and three further defections, including the former housing chairman Chris Pryce.¹⁴³ At the same time the DoE was pressing the council to make progress with council house sales.¹⁴⁴ The Labour remnant castigated the new regime as the old ‘municipal mafia’.¹⁴⁵ The new administration had few new policies as they were content to adhere to the Islington Labour manifesto on which they had been elected in May 1978. But the SDP distanced themselves from the Labour left by a commitment to ‘financial responsibility’ and pledged to put 700 unimproved houses on the market if it was returned to power after the 1982 elections.¹⁴⁶ The SDP members accused the Labour group of being extremist and intent on ‘revolution’, but some of the councillors who defected seem to have been preoccupied with the social status of left-wing members. Bill Bayliss, who had been on the council for 30 years, dismissed them for being newcomers in the Labour Party; as far as he was concerned they were ‘part of the gentrification of Islington and came from families with private means.’¹⁴⁷ David Hyams, who was brought up locally, makes similar remarks about the “young trendies”.¹⁴⁸

¹³⁹ *KI*, 5 March 1981, p. 1. Cartwright first came to represent East Woolwich when his predecessor, Christopher Mayhew, defected to the Liberals in 1974. After serving for a while as parliamentary private secretary to Shirley Williams, Cartwright was consulted by her in January 1981 about the idea of a breakaway party before the Limehouse Declaration: Giles Radice, *Friends and Rivals* (London: Little, Brown, 2002) pp. 295–6.

¹⁴⁰ *SLP*, 1 December 1981, p. 1; 22 January 1982, p. 8.

¹⁴¹ *WBC*, 9 October 1981, p. 3; 23 October 1981, p. 1; 11 December, 1981, p. 7.

¹⁴² *IG*, 27 March 1981, p. 1; 8 September 1981, p. 1.

¹⁴³ *IG*, 18 September 1981, p. 7; 4 December 1981, p. 1; LBI, Minutes of Extraordinary Council Meeting, 10 December 1981, pp. 423–5.

¹⁴⁴ See Chapter Seven.

¹⁴⁵ *IG*, 18 December 1981, p. 6.

¹⁴⁶ *IG*, 23 December 1981, p. 2; 15 January 1982, p. 5.

¹⁴⁷ *IG*, 18 December 1981, p. 6.

¹⁴⁸ *IG*, 8 January 1982, p. 2; author’s interview with David Hyams, 24 May 2012.

The 1982 municipal left show and hung councils

Labour had mixed fortunes in the 1982 elections (see Appendix 2). Labour lost overall control of Lambeth where the Conservatives benefited, and failed to regain a majority in Brent; they lost seats in Greenwich, Hackney, Newham and Southwark, but still enjoyed healthy majorities. A notable feature of the elections was the poor showing of the SDP which was in an alliance with the Liberals. From being in the majority in Islington, the new party only managed to hold one seat, allowing Labour to regain control with a majority of 50. In Southwark, where the SDP were for awhile the official opposition, they were decimated; in Greenwich, their six seats were reduced to one, but the Liberals picked up two.¹⁴⁹ The SDP were successful in gaining a seat in Lambeth, making five, which proved to be crucial in persuading them to join the Conservatives in a coalition to gain control of the hung council.

The makeup of the Labour groups changed to various degrees due to the growing influence of the new municipal left, or ‘new urban left’, the term which John Gyford gave the loose association of local left-wing politicians.¹⁵⁰ Essentially, the new municipal left consisted of Labour activists who were dissatisfied with the conservatism of the national party and with the way that most local Labour councils operated. There was no formal organisation or programme, but they joined together on certain issues, forming alliances and caucuses within Labour branches and town hall groups. Originating in the 1970s with left-wing activists such as Ted Knight and Ken Livingstone, the new municipal left began to expand after the 1978 local elections, and the advent of the first Thatcher Government encouraged more activists to become councillors. Many were successful at the 1982 elections. Those associated with the new municipal left wanted greater democracy within the party and decentralisation of decision-making; they were particularly concerned about racism and gender issues. The phenomenon was aided by the tendency for left-wing activists to be selected by local branches, a process made easier by the defection of a significant number of centre and right-wing members to the SDP, and by others retiring.¹⁵¹ Studies of the rise of the new municipal left have identified the GLC and some London boroughs as authorities where it had a significant influence following the 1982 elections, including most of our eight

¹⁴⁹ The remaining SDP member in Islington was David Hyams, and in Greenwich, Marie Kingwell.

¹⁵⁰ John Gyford, ‘The New Urban Left: A Local Road to Socialism?’ *New Society*, 21 April 1983; John Gyford, *The Politics of Local Socialism* (London: George Allen & Unwin, 1985) pp. 17–19; Lansley et al., *Councils in Conflict*; Hugh Atkinson ‘The Rise and Fall of the London New Urban Left in London Labour Politics, 1976–1987’ (unpublished PhD thesis, South Bank University, 1995) pp. 8–9.

¹⁵¹ Lansley et al., *Councils in Conflict*, p. 22.

authorities.¹⁵² Initially these were Camden, Greenwich, Hackney, Islington and Southwark, although the hard-left leadership of the Lambeth Labour group lost control for six months, but was able to reassert its dominance. It was only a matter of time before the new municipal left began to exert a significant influence in Brent.¹⁵³ Newham was the only borough of the eight where it had little impact during 1982–3.

A consequence of the leftward trend was the appointment of new leaders: Phil Turner (Camden) John Austin-Walker¹⁵⁴ (Greenwich) Anthony Kendall (Hackney) Margaret Hodge (Islington) and Alan Davis (Southwark). Austin-Walker and Phil Turner had been on the councils since the early 1970s and Margaret Hodge since 1973, but they were in tune with the policy concerns of the new municipal left. Kendall and Davis had only been council members for one term. Kendall's politics fitted with the outlook of many in the new municipal left as it grew out of involvement in the 1968 student protests and the development of a community project as a newcomer to the Hackney area.¹⁵⁵ He was the left's choice to replace John Kotz, although Charles Clarke, who became chair of housing, considered the appointment premature, as he favoured an orderly transition to the appointment of younger members to enable them to gain more experience.¹⁵⁶ John Kotz was bitter at being dislodged from office after only a year, especially by one of what he called the 'Class of 68'.¹⁵⁷

Boroughs under the influence of the new municipal left continued the political battles with the Thatcher Government over government cuts and the setting of the annual rates, but they quickly developed new areas of policy. The priorities varied between boroughs, but a general aim was to restructure the provision of services with a greater emphasis on decentralisation and equal opportunities. The general aim was to form a 'rainbow coalition' of political interests comprising the organised working class and 'minority' groups, especially women and ethnic minorities.¹⁵⁸ As a result, councils began to change their committee structures (there was, for example, the introduction of women's committees), and decentralise services through neighbourhood offices and wider involvement of community representatives. Councils became increasingly

¹⁵² Lansley et al., *Councils in Conflict*; Atkinson 'The Rise and Fall of the London New Urban Left'.

¹⁵³ Jim Moher, *Stepping on White Corns: Race, Education and Politics – the Brent Experience* (Wembley: JGM Books, c.2007).

¹⁵⁴ John Austin-Walker later became John Austin.

¹⁵⁵ Author's interview with Anthony Kendall, 7 February 2013. An account of Kendall's exploits at LSE is in Paul Hoch and Vic Schoenbach, *LSE: The Natives are Restless – A Report on Student Power in Action* (London: Sheed & Ward, 1969).

¹⁵⁶ Kotz, *Vintage Red*, pp. 105–6; author's interview with Charles Clarke, 30 January 2013.

¹⁵⁷ Kotz, *Vintage Red*, p. 106.

¹⁵⁸ Atkinson 'The Rise and Fall of the London New Urban Left', p. 12.

concerned with issues of gender, including use of non-sexist language, and race; some became involved in issues of national or international significance, such as peacemaking and environmental campaigns, especially CND and the anti-apartheid movement, and a few were sympathetic to a dialogue with Sinn Féin. As for Labour's traditional championing of council housing, the new municipal left was critical of the performance of Old Guard administrations.

Although the 1982 elections produced a hung council in Lambeth, with the 32 Labour members equalling a combination of Conservatives and the Liberal-SDP Alliance, the casting vote of a Labour mayor should have ensured that Ted Knight's team ran the council. At the annual meeting of the council in May, Labour's plans went awry because the outgoing mayor, Johnny Johnson, failed to do so. To the fury of Ted Knight and the rest of the Labour group, Johnson voted for the Conservative candidate (who also had the support of the Alliance) to be the new mayor, and he went on to swing the vote behind the Conservative leader Robin Pitt to form an administration.¹⁵⁹ Johnson clearly disapproved of 'Red Ted' as leader, as before the meeting he ignored a plea from the Labour Party leader, Michael Foot, to support his group's choice.¹⁶⁰ The coalition of Conservative and Alliance councillors, under Robin Pitt, ran Lambeth council for six months at a time when the DoE was applying pressure to improve performance on the sale of houses.¹⁶¹ In November 1982 one of the SDP members controversially resigned from his party to become an independent, but pledged to support a Labour administration.¹⁶² The Ted Knight regime resumed its radical agenda of fighting government cuts.

Conclusion

This chapter provides some indication of the potential that existed for the 1971 and 1978 councils to rebel against the Housing Finance Act and the Right to Buy scheme when introduced. The Old Guard Labour groups in Hackney, Newham and Southwark were firmly in control when both pieces of legislation were introduced, so there was a reasonable expectation that they would adhere to a constitutional approach throughout. A challenge to automatic compliance with new Conservative legislation would be more

¹⁵⁹ *SLP*, 28 May 1982, p. 3.

¹⁶⁰ *Ibid.*, pp. 1 and 3.

¹⁶¹ See Chapter Seven.

¹⁶² *SLP*, 16 November 1982, p. 1.

likely to occur where the situation within the Labour groups was more fluid. We know from the literature that the radical activist Camden mounted sustained resistance to implementing the 1972 Act, and that Greenwich posed problems for the government over implementation of Right to Buy. From the rough profiles sketched in this chapter, the makeup of the Camden group suggests that the rebellion was explicable, whereas Greenwich does not stand out as being an obvious candidate for a high-profile role in resisting the implementation of council house sales. But then neither did Norwich council.

There would seem to have been potential for splits between left and right in Labour groups in 1980. The more established members may have been more inclined to defend their council housing than the new middle-class members who were not involved in the development of the estates or had any long-term ties with them. As to the role expected from local Conservatives over implementation of the two pieces of legislation, their position was generally stronger following the 1978 election than in 1972. In particular, they had the potential to beat Labour in divisions in Brent and Camden should the majority party be split over implementation. There were some interesting developments during the early years of operation of council house sales, as the SDP took control of Islington for six months before the 1982 election when the Conservatives ran an administration for a similar length of time with Alliance support in Lambeth. But the major trend within Labour groups was the rise of the new municipal left. Chapters Seven and Eight explore whether there was an impact on the performance of council house sales up to the general election of 1983 when Labour councillors had to accept that the Right to Buy was going to remain.

CHAPTER TWO:

IMPACT OF NATIONAL HOUSING POLICY, 1964–83

During a television interview in 1968, Horace Cutler, who was a leading member of the Conservative-controlled Greater London Council, declared that “local authorities ought to get out of housing”.¹ At the time such views were novel in the Conservative Party, and do not appear to have been shared by either Margaret Thatcher or Sir Keith Joseph.² Yet over the next decade the party made a shift in policy from simply encouraging councils to sell to imposing on them a duty to do so if a sitting tenant wished to buy. Some 20 years after Cutler’s radical declaration, the third Thatcher Government enabled council tenants to have their estates transferred to another landlord (such as a housing association) and councils to arrange a ‘stock transfer’ with the agreement of their tenants.³ Horace Cutler was also a strong proponent of introducing ‘fair rents’ into the public sector.⁴ In this area of policy, his aim was in line with the direction in which the party was already heading by the late 1960s under Edward Heath. When the Conservatives came to power, the government passed legislation introducing a system of ‘fair rents’ for council lettings, but the change was too controversial to survive the return of Labour in 1974. Ideas such as ‘fair rents’ for council housing and sales to sitting tenants were alien to the thinking of London’s Labour councillors, who were inclined to view council housing as a social service. Until 1970 their overriding experience of government housing policy was one of encouragement to build more houses.

Throughout the period from the inception of the new boroughs in the mid-1960s to the election of the first Thatcher Government in 1979, the stock of housing in all boroughs being studied progressively grew in size. When established in 1964–65, the relevant boroughs inherited sizeable stocks of housing from the constituent authorities, although there were wide variations, as shown in Table A. The constituent authorities of Newham and Southwark, each with a stock of over 20,000 houses, had built most and had twice as many dwellings as Islington and Brent.

¹ Horace Cutler, *The Cutler Files* (London: Weidenfeld & Nicolson, 1982) p. 132. Sir Horace Cutler (1912–97) became deputy leader and chairman of housing under the moderate Desmond Plummer following the Conservative success at the 1967 GLC elections. He was leader of the GLC from 1977 to 1981.

² Conservative Party Archive, ‘Report of the Policy Group on Housing’, 16 July 1968, ACP3/15(68)50.

³ White Paper, *Housing: the Government’s Proposals*, 1987; Housing Act 1988.

⁴ Horace Cutler, *Rents – Chaos or Common Sense?* (London: Monday Club, 1970); *SLP*, 23 June 1970, p. 1.

Table A: Housing Stock in March 1966

Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
8,766	15,095	15,915	17,807	10,395	13,284	24,134	22,391

Source: Greater London Council, *1966 Annual Abstract of Greater London Statistics*, vol. 1 (London: GLC, 1968) Table H 151

From the outset, the political ‘bruiser’ Bob Mellish, as Housing Minister for London in the newly elected Wilson Government, urged the boroughs to undertake redevelopment. Because of their considerable resources, the new boroughs were in a position to establish professional departments to design and manage redevelopment schemes.⁵ Parliament passed legislation for a more generous regime of subsidies for the interest paid by local authorities on loans for new building.⁶ New building continued throughout the late 1960s despite the government placing the emphasis nationally on funding improvements in run-down, or so-called ‘twilight’ residential areas.⁷ Whitehall’s programme was unaffected for housing ‘stress areas’ in London identified by the GLC, as the home improvement legislation was not a substitute for new house-building where redevelopment was required.⁸ Conservative groups in control of six of the boroughs from 1968 welcomed the new initiatives for improving areas, but continued with most redevelopment schemes. As the architectural historians Miles Glendinning and Stefan Muthesius put it:

Greater London was a weighty exception to the collapse of modern housing production in England. Energetic building was prosecuted by the few Labour councils to survive the 1968 local elections, such as Southwark and Newham, and by some Conservative authorities such as Lambeth and Islington.⁹

By the time of the 1971 local elections there had been substantial additions to the housing stock, although performance across boroughs had been variable, as can be seen from the following table:

⁵ Gerald Rhodes (ed.) *The New Government of London: The First Five Years* (London: LSE/Weidenfeld & Nicolson, 1972); Miles Glendinning and Stefan Muthesius, *Tower Block: Modern Public Housing in England, Scotland, Wales and Northern Ireland* (New Haven: Yale University Press, 1994).

⁶ Housing Subsidies Act, 1967; Peter Malpass, *Reshaping Housing Policy: Subsidies, Rents and Residualisation* (London: Routledge, 1990) p. 103.

⁷ Known as ‘General Improvement Areas’. Ministry of Housing and Local Government, *Old Houses into New Homes*, Cmnd. 3602 (1968); Housing Act 1969, Part II.

⁸ The National Archives (hereafter TNA) HLG 118/1037, letter from Anthony Greenwood to leader of London Borough of Hackney, 31 October 1969. For housing stress areas see John Greve, Dilys Page and Stella Greve, *Homelessness in London* (Edinburgh: Scottish Academic Press, 1971) pp. 37–41.

⁹ Glendinning and Muthesius, *Tower Block*, p. 313.

Table B: Housing Stock in December 1971

Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
13,883	21,533	21,839	23,003	15,170	22,963	27,790	27,818

Source: Greater London Council, *1971 Annual Abstract of Greater London Statistics*, vol. 6 (London: GLC, 1972) Table 8.05.

Camden, Greenwich, Hackney and Lambeth now had over 20,000 houses; Newham and Southwark almost 28,000 houses. Before the boroughs were confronted with the housing finance legislation they had experienced only encouragement from Whitehall to advance redevelopment schemes on the basis that rent-fixing would remain a local prerogative.

Housing specialists have noted that the 1970s was a time when national governments switched attention from housing production to financial issues and that the 1971 White Paper marked the shift;¹⁰ however, there was no halt to the London boroughs' building programmes. Following the oil shock and Anthony Crosland's 'the party's over' speech, Whitehall subjected local authorities to closer monitoring and the Labour government introduced controls over both the level of government expenditure and the uses to which it could be put. Yet by the time of the Conservative Party's success at the 1979 general election, the stocks of council housing in all eight boroughs had grown enormously, some boosted by the purchase of old houses on the open market for improvement known as 'municipalisation', as shown in the following table:

Table C: Housing Stock in December 1978

Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
19,972	30,006*	26,318	27,629	30,553	31,624	32,456	36,690

Source: Greater London Council, *1978 & 79 Annual Abstract of Greater London Statistics*, vol. 13/14 (London: GLC, 1980) Table H1 17. *figure for March 1978

All except Brent now held stocks of over 25,000, with Camden, Islington and Lambeth approaching the size of the total ownership of the two leading boroughs with over 30,000. The steady growth of housing stocks led to council leaderships and professional

¹⁰ Peter Malpass, *Housing and the Welfare State: The Development of Housing Policy in Britain* (Basingstoke: Palgrave Macmillan, 2005) pp. 96–7.

managers in the boroughs having a tendency to believe that they were in a powerful position. It might have made them more defensive of their municipal ‘empires’.

This chapter provides an overview of the major changes that took place in Labour and Conservative housing policy, and the effect these had on the eight boroughs from the time of their formation. It gives context for the two main pieces of housing legislation on which this thesis is focused. The chapter traces instances of splits in some Labour groups over rent policies of constituent boroughs in the 1950s and 60s and charts the antagonisms between opposing groups over policy changes introduced by the Conservatives when in control of six of the boroughs during 1968–71. There is a review of parts of the 1972 and 1980 legislation relevant to our themes with an assessment of the implications for an authority considering defiance. The chapter explains the advice given by the PLP and national Labour organisations to councillors on constitutional ways to oppose the government over the policy changes which might have had a moderating influence on local councillors who were considering rebelling. The chapter is in two parts: the first explains controversies arising from the anomalies in rent-fixing in the 1960s and the radical changes introduced by the Heath Government; the second part traces the divergent views of the major political parties over the sale of council housing leading to the introduction of the Right to Buy scheme.

2.1: POLITICAL BATTLES OVER COUNCIL RENTS

Before the legislation introduced by the Heath Government, the level of council rents was a controversial issue, both between the political parties and within local Labour parties. Before the reorganisation of London government, there had been major political rows over rent-fixing and it could still be a contentious issue in the new boroughs, as in Camden and Southwark. Enid Wistrich and Sue Goss have each noted that rents were the only subject of major disagreements.¹¹ Memories of these political rows would have been strong in the consciousness of Old Guard councillors who were still active at the time of the 1972 legislation.

In St Pancras, where two-thirds of Camden’s stock was situated, rents had been contentious in the late 1950s, when a change in political control occurred. A radical

¹¹ Enid Wistrich, *Local Government Reorganisation: The First Years of Camden* (London: London Borough of Camden, 1972) p. 98; Sue Goss, *Local Labour and Local Government: A Study of Changing Interests, Politics and Policy in Southwark from 1919 to 1982* (Edinburgh: Edinburgh University Press, 1988) p. 71.

Labour administration refused to raise council rents on a category of house that led to the district auditor levying a surcharge on culpable councillors. Later, the Labour group unsuccessfully attempted to abolish a rent rebate scheme introduced by the Conservatives.¹² In Camberwell, the largest of the constituent authorities forming the London Borough of Southwark, the Labour group had shifted its policy in 1956 in favour of higher rents accompanied by the introduction of a rent rebate scheme.¹³ This shift caused a major split in the group, leading to the expulsion 17 rebels who wished to retain the status quo.¹⁴ The political row reoccurred in the new Southwark borough when the leadership introduced a common method of assessing rents by bringing the lower rents in former Bermondsey and Southwark Metropolitan Borough areas up to Camberwell levels. Most Bermondsey councillors unsuccessfully opposed the increases, but the council leader Alfred Kemp was forced to resign as chairman of Bermondsey Labour Party for supporting the introduction of the new rents.¹⁵

Unresolved controversies over subsidies and rent-fixing

The most obvious reason for the wide variations in borough rent policies was the high degree of local autonomy in this area. However, frequent changes in government policy made things unnecessarily complex, or, as one academic specialist put it, ‘The field of council rents is frankly chaotic’.¹⁶ There had been no thorough review of national housing policy as there had been in the 1940s in the related policy area of town planning, which was followed by comprehensive legislation.¹⁷ Since governments had embarked on major programmes to encourage councils to build housing following the First World War, the basis on which they provided financial support was attached to buildings and not to the financial circumstances of tenants.¹⁸ Although the level of subsidy for new building changed from time to time, depending on the policy of the government in power, it only applied to subsequent buildings. This meant that the subsidy on a particular house depended on the date that it was built. Consequently, with rising building costs post-war housing attracted a higher level of subsidy than earlier

¹² Peggy Duff, *Left, Left, Left: A Personal Account of Six Protest Campaigns, 1945–65* (London: Allison & Busby, 1971) pp. 89–93; Wistrich, *Local Government Reorganisation*, p. 98.

¹³ Goss, *Local Labour and Local Government*, p. 57.

¹⁴ Goss, *Local Labour and Local Government*, pp. 57 and 71.

¹⁵ *SLP*, 30 July 1965, pp. 1 and 9; Goss, *Local Labour and Local Government*, p. 71.

¹⁶ R. A. Parker, *The Rents of Council Houses* (London: George Bell & Sons, 1967) p. 72.

¹⁷ Barlow Report, Cmd. 6153, 1940; Scott Report, Cmd. 6378, 1942; Uthwatt Report, Cmd. 6386, 1942; Town and Country Planning Act 1947; Town and Country Planning Act 1947; Pat Thane, *Foundations of the Welfare State*, 2nd edn (Harlow: Longman, 1996) p. 242; Helen Meller, *Towns, Plans and Society in Modern Britain* (Cambridge: Cambridge University Press, 1997) pp. 67–8; Barry Cullingworth (ed.) *British Planning: 50 Years of Urban and Regional Policy* (London: Athlone Press, 1999).

¹⁸ Housing, Town Planning, &c. Act, 1919, widely known as the ‘Addison Act’.

stock built at a low ‘historic cost’. To enable local authorities to even out their costs, governments of both parties from the mid-1950s encouraged ‘rent pooling’, whereby councils could average out the costs of their entire stock when setting rents.¹⁹

As explained in the introductory chapter, rent-fixing was one of the areas where local authorities had considerable discretion, although there was an obligation to charge ‘reasonable rents’.²⁰ Many chose a straightforward ‘gross value’ basis, by applying a multiplier to the figures in the valuation list for rating purposes produced by the district valuer.²¹ If a council wished to do so, it could supplement government subsidies with support from its rate fund, a device commonly used by Labour-controlled councils but unpopular with the Conservatives. As a result of these variables – the amount of interest paid, the government subsidy, the effect of rent pooling, the method of valuation and use of the rate fund – different councils varied widely in how they used subsidies to reduce the rents charged. The overall situation was further complicated by the option for a local authority to use rent rebates to take account of the particular circumstances of the tenant, commonly done through a ‘differential rent scheme’.²² Traditionally, Labour politicians tended to avoid such schemes because they involved means testing.²³ The Labour groups on the former Bermondsey and St Pancras councils particularly disliked them as they feared they were divisive among tenants paying different rents in similar houses. But the Wilson administration supported differential rent schemes and rebates where a local authority restricted the means test to tenants seeking a rent reduction, not to all tenants. In 1967 the Ministry of Housing and Local Government issued a model rent rebate scheme for local authority guidance.²⁴ It was endorsed by the London Boroughs Association (LBA) and some boroughs, including Camden and Lambeth, adopted the scheme.²⁵

With rising incomes, there was a growing opinion in some quarters – not confined to the political Right – that affluent council tenants should cease to benefit

¹⁹ A. A. Nevitt, ‘Conflicts in British Housing Policy’, *Political Quarterly*, vol. 39, no. 4 (1968) p. 443.

²⁰ Even the notion of ‘reasonable rents’ (Housing Acts 1930 and 1936) was problematic: Nevitt, ‘Conflicts’, p. 443.

²¹ Rhodes, *The New Government of London*, pp. 242–3. The ‘gross value’ was the annual rental value assuming the landlord maintained the property: William Britton et al., *Modern Methods of Valuation*, 7th edn (London: Estates Gazette, 1980) pp. 365–7.

²² TNA, HLG 118/1296, DoE draft working paper no., ‘Progression to ‘fair rents’ 15 January 1971.

²³ Malpass, *Reshaping Housing Policy*, p. 105. Differential rent schemes were controversial as illustrated in G. W. Jones, *Borough Politics: A Study of the Wolverhampton Town Council, 1988–1964* (London: Macmillan, 1969) p. 185.

²⁴ Malpass, *Reshaping Housing Policy*, p. 106. The Ministry of Housing and Local Government had responsibility for council housing between 1951 and 1970 when the Department of the Environment was formed.

²⁵ London Borough of Lambeth, ‘Into the Seventies, Lambeth Housing: A Review of Demand, Supply and Costs’ (London: Borough of Lambeth, 1969) p. 8; Camden: see Chapter Five.

from universal housing subsidies.²⁶ The critics of affluent tenants typically cited a particular tenant in a ‘privileged’ position, rather than giving an indication of the proportion of tenants in that category.²⁷ But serious questions were raised over the most suitable system for fixing council rents and whether it was desirable to have a national basis for doing so. Some academics specialising in housing recognised that there were problems with the way council housing was financed and the wide variation in the level of council rents among authorities.²⁸

The Labour government held to the policy that local authorities should continue to decide their own rent policies, but were not in favour of their using Whitehall subsidies with the primary aim of keeping rents low.²⁹ Nevertheless, the broad endorsement of autonomy did not prevent Tony Greenwood from reluctantly placing temporary restrictions on council rent increases under the Prices and Incomes Act from July 1968, and requiring that any increases be referred to him for approval.³⁰ The generous 1967 subsidies on new development – leading to a soaring bill nationally as interest rates rose in the early 1970s – made council housing vulnerable to attack from political opponents.³¹ In the meantime, councils under Conservative control adopted new approaches to council rents and rebates.

Although the Labour government was reluctant to intervene over the fixing of council rents, it succeeded in establishing a solution to the problem of how rents for private lettings were assessed. Richard Crossman devised ‘fair rents’ as part of a national solution to the political controversy over private lettings that had increasingly divided the two major parties since the Macmillan Government’s partial deregulation of the market.³² Crossman aimed to be even-handed between landlord and tenant by introducing regulated tenancies with ‘fair rents’ for most of the decontrolled lettings and

²⁶ Stanley Alderson, *Britain in the Sixties: Housing* (Harmondsworth: Penguin, 1962); *The People*, 6 February 1966; Nicholas Timmins, *The Five Giants: A Biography of the Welfare State*, 2nd edn (London: HarperCollins, 2001) pp. 302–3. Keith Jacobs, Jim Kemeny and Tony Manzi, ‘Privileged or exploited council tenants? The discursive change in Conservative housing policy from 1972 to 1980’, *Policy and Politics*, vol. 31, no. 3 (2003) pp. 310–12.

²⁷ Jacobs, et al., ‘Privileged or exploited council tenants?’ The authors point out that the critics of council tenants ignored the financial support available to owner-occupiers in the form of tax relief on mortgage interest.

²⁸ Adela Adam Nevitt, *Housing, Taxation and Subsidies: A Study of Housing in the United Kingdom* (London: Nelson, 1966); Parker, *The Rents of Council Houses*.

²⁹ J. B. Cullingworth, *Essays in Housing Policy* (London: George Allen & Unwin, 1979) p. 51.

³⁰ Prices and Incomes Act 1968, Increases in Rents of Local Authority Houses, Cmnd. 3604 (1968); Cullingworth, *Essays in Housing Policy*, pp. 51–2.

³¹ Housing Subsidies Act 1967; A. E. Holmans, *Housing Policy in Britain: A History* (London: Croom Helm, 1987) pp. 336–40.

³² Malpass, *Housing and the Welfare State*, pp. 92–3.

for new tenancies.³³ In practice, ‘fair rents’ were on average 20 per cent below the market level.³⁴ It was a clever piece of legislation, designed to remove the issue of private lettings from the political arena, and ‘fair rents’ remain for a contracting number of lettings to the present day.³⁵ Yet by the early 1970s some London Labour councillors were critical of the Crossman solution as they considered that rent assessment committees set levels too high.

Once in operation, the new form of regulation of the private letting sector brought attention to the inconsistencies in the fixing of council rents. Formerly, the rents for modern council housing were higher than poor quality private accommodation, but by the late 1960s the relative levels were reversed.³⁶ Yet the Labour government did not provide a solution to the anomalies of council housing finance which might have avoided the sweeping changes introduced by the Heath Government. Instead, by introducing a system of ‘fair rents’ Crossman unwittingly provided Conservatives with a formula that could be applied to the public sector. Before the 1971 White Paper was published, some Conservative authorities, including the GLC, began to introduce ‘fair rents’ for council housing. Conservative groups in control of the boroughs between 1968 and 1971 were keen to tackle deficits in housing revenue accounts to enable them to reduce the level of contributions from rate income. Accordingly, they increased rents with some favouring the introduction of ‘fair rents’, perhaps influenced by Horace Cutler, the GLC housing chairman.³⁷ Labour councillors objected because ‘fair rents’ contained an element of landlord’s profit which they deemed inappropriate in the public sector.

The Conservative administrations were at first curtailed by Greenwood’s cap on increases in rents introduced under the Prices and Incomes Act 1968.³⁸ But the government restriction did not apply to lettings on new accommodation, so Islington and Lambeth Conservatives introduced ‘fair rents’ on first lettings and Brent’s right-

³³ Rent Act, 1965; Britton et al., *Modern Methods of Valuation*; Holmans, *Housing Policy in Britain*, pp. 420–1; Timmins, *The Five Giants*, p. 231.

³⁴ Holmans, *Housing Policy in Britain*, pp. 422–6.

³⁵ The rules for assessing ‘fair rents’ are now contained in the Rent Act 1977 and the Rent Acts (Maximum Fair Rent) Order 1999.

³⁶ Malpass, *Reshaping Housing Policy*, p. 67.

³⁷ Cutler, *Rents*; *SLP*, 23 June 1970, p. 1.

³⁸ Prices and Incomes Act 1968; Increases in Rents of Local Authority Houses, Cmnd. 3604 (1968); Cullingworth, *Essays in Housing Policy*, pp. 51–2; London Borough of Camden, ‘Housing in Camden’ (London: Borough of Camden, 1969) Vol. I, L. Rowley, ‘Introduction’, p. 5. In London maximum increases were 7*s. 6d.* (37.5 pence) or 10 shillings (50 pence).

wing administration brought in a cost-rents scheme.³⁹ Although Lambeth favoured adopting ‘fair rents’ for all its housing, the housing committee decided that such a radical change would have put an unacceptable strain on the borough’s rent rebate scheme, so retained its ‘gross value’ basis for assessing the increases.⁴⁰

Controversies over rent-fixing in Camden are of particular significance in the light of the stand the council took over the Housing Finance Act. As rent levels varied between the three constituent boroughs, the new council looked at ways of introducing a uniform approach to rents that would contribute towards solving the problem of a serious deficit in its housing revenue account.⁴¹ Rent increases were long overdue but politically sensitive because of the earlier St Pancras disputes. Camden took the unusual step of seeking external specialist advice by commissioning the Centre for Urban Studies at UCL to report on a rent policy and, more generally, on ‘the social and economic problems affecting council housing.’⁴² While the report was being prepared, the district auditor exerted pressure on the council to increase rents, on the grounds that the council was making excessive contributions from the rates to meet the rising deficit. Some council members, including the leader, Charlie Ratchford, had been surcharged as St Pancras councillors over their refusal to raise rents and were anxious to avoid it happening again. At a stormy meeting in November 1966 the council approved an interim rent increase, but 12 members voted against.⁴³ Among the rebels was the future MP for St Pancras North, Albert ‘Jock’ Stallard, who was to become involved in Camden’s fight against the Housing Finance Act.⁴⁴ The rift in the Labour group in 1966 foreshadowed similar disunity when Camden was under pressure from the Heath Government over raising rents in 1972.

The Centre for Urban Studies provided Camden with two reports shortly before the London borough elections of 1968.⁴⁵ Each was written by an eminent social scientist – Marian Bowley and Ruth Glass – with different philosophical outlooks.⁴⁶ Bowley

³⁹ LBB, Minutes of Council Meeting, 13 April 1970, p. 707; Minutes of Council Meeting, 13 May 1970, p. 806.

⁴⁰ London Borough of Lambeth, ‘Into the Seventies’, p. 8; LBL, Minutes of Housing Committee Meeting, 22 March 1972, p. 546.

⁴¹ Wistrich, *Local Government Reorganisation*, p. 206.

⁴² London Borough of Camden, ‘Housing in Camden’, Vol. I.

⁴³ Wistrich, *Local Government Reorganisation*, pp. 98–100.

⁴⁴ *HHE*, 25 November 1966, p. 3.

⁴⁵ London Borough of Camden, ‘Housing in Camden’ (London: Borough of Camden, 1969) Vol. II, Centre for Urban Studies, ‘The Housing Rents Study’; Vol. III, Marian Bowley, ‘Economic Report on Rent Problems’.

⁴⁶ Bowley was the author of a classic work on the development of housing policy mentioned in the introductory chapter. Glass is probably best known under a previous surname for research on an LCC estate: Ruth Durant, *Watling: A Survey of Social Life on a New Housing Estate* (London: P. S. King & Son, 1939).

focussed on the economic aspects of rent income for the council as landlord, especially on ensuring that it covered its building maintenance and other costs; Glass was concerned with the consequences for tenants of housing policy and emphasised treating housing as a social service.⁴⁷ Glass concluded that a rebate scheme was the practical means to make rents affordable. The council had to delay rent increases because of the Greenwood restrictions.⁴⁸ The new Conservative council, under Geoffrey Finsberg's leadership, decided to follow the recommendations in Marian Bowley's report, but were temporarily restricted by the minister's directive.⁴⁹ The council chose to base the rents for new houses on building costs.⁵⁰

By the time of the Labour landslide at the local elections in May 1971, Labour groups had experienced, or witnessed, Conservative administrations introducing rent-fixing policies to which they were strongly opposed, including the limited use of 'fair rents'. The Labour administrations were therefore well versed in their objections to the policy changes that the Heath Government was preparing for its White Paper, *Fair Deal for Housing*, due to be issued a few weeks after the municipal elections. The experience of the Old Guard administrations of Newham and Southwark was different as they were able to retain their policies of modest rents, though they would have witnessed the changes introduced by the Conservative authorities including the GLC. Meanwhile, local Conservatives in the six boroughs had been largely frustrated by the Greenwood restrictions when introducing their rent policies, so the year when they could operate freely under Edward Heath would have reinforced their support for the forthcoming 'fair rents' legislation. The scene was set for a clash between local Labour groups and their Conservative opponents over the government's policy shift, but in view of the differences of opinion that had surfaced earlier in some Labour groups, there were also likely to be internal splits over the issue.

The Heath Government's controversial experiment

The introduction of the 'fair rents' legislation marked a rupture in the amicable relationship between the Labour boroughs and post-war Conservative governments over housing policy. Previously, Labour leaderships had co-existed reasonably comfortably with Whitehall under governments of both parties because of their support for capital

⁴⁷ Wistrich, *Local Government Reorganisation*, p. 207.

⁴⁸ London Borough of Camden, 'Housing in Camden', Vol. I, p. 5.

⁴⁹ Ibid., pp. 5–8; Wistrich, *Local Government Reorganisation*, p. 208.

⁵⁰ London Borough of Camden, 'Housing in Camden', Vol. I, pp. 8–10.

investment in new council housing, a major concern in London. The Heath Government was not opposed to the provision of council housing and the junior housing minister, Paul Channon, was keen on councils building in the capital.⁵¹ Nevertheless, the emphasis was now on finance and the government looked to raising rents and encouraging councils to sell houses to sitting tenants, changes which would be welcomed by local Conservatives. Both policies were bound to create conflict in council chambers. The White Paper, *Fair Deal for Housing*, was published on 13 July 1971 with the Housing Finance Bill following in November.⁵² The White Paper contained detailed proposals affecting local authorities that were to be mandatory: a programme of rent increases as a transition to ‘fair rents’, together with a national scheme for rent rebates and allowances; also a new system of subsidies for local authorities which replaced the historic cost basis. Four months later, Peter Walker, the Environment Secretary, moved the second reading of the Housing Finance Bill, which was closely based on the White Paper. As the legislation was not enacted until 27 July 1972, from start to finish of the parliamentary process there were twelve months during which opponents, both in and outside parliament, could express their views.⁵³ And indeed councillors commented unstintingly, as shown in Chapter Three. The legislation included ‘progression to fair rents’ for local authority houses involving mandatory rent increases. But it differed from the White Paper in containing unusually strong powers for the Environment Secretary to intervene where he considered that a local authority was in default.⁵⁴ In particular, he had the power to appoint a housing commissioner to take over an authority’s housing service; alternatively he could withdraw part or all of its housing subsidies.⁵⁵ For London councils these would amount to large sums because of the size of their housing stocks and the proportion built after the Second World War, so the implications for defiance were serious and likely to blunt the threat of local rebellions. Stephanie Cooper explains that it was the threat of withdrawal of subsidies that ‘brought authorities like Camden into line’;⁵⁶ Piers Wauchope confirms that this was the case.⁵⁷

The introduction of ‘fair rents’ for local authority tenancies formed only part of the legislation. It also included: a new system of housing subsidies; schemes for rent

⁵¹ Glendinning and Muthesius, *Tower Block*, p. 313.

⁵² Cmnd. 4728; Housing Finance Bill, Second Reading, Hansard, Session 1971–2, 15 November 1971, col. 32.

⁵³ Housing Finance Act 1972, Chapter 47.

⁵⁴ Housing Finance Bill, Parts V, VI and IX.

⁵⁵ Housing Finance Bill, Part IX, clauses 93 to 95.

⁵⁶ Stephanie Cooper, *Public Housing and Private Property: 1979–1984* (Aldershot: Gower, 1985) p. 25.

⁵⁷ Piers Wauchope, *Camden: A Political History* (Tunbridge Wells: Shaw Books, 2010) pp. 84–5.

rebates for council tenants and rent allowances for private tenants; conversion of the remaining private ‘controlled’ tenancies into regulated tenancies with ‘fair rents’. Local politicians had views about these further changes which amounted to a major shift in policy, but this thesis only touches on them where they have a bearing on decisions being made over the main issue of ‘fair rents’ and mandatory rent increases in the public sector.

While details of the Bill were being discussed in committee, the Labour Party’s National Executive Committee (NEC), chaired by Frank Allaun, issued guidance on policy to local authority groups. A particular concern of the NEC was that, when local authorities announced rent increases under the new legislation, they should explain to tenants that responsibility for them lay with the Conservative government, the implication being that the NEC was expecting compliance with the legislation. To this end, the NEC issued a statement on 20 January 1972 to Labour authorities alerting them to the implications of the legislation for Labour councillors, and saying that it was ‘a gross interference in the independence of local authorities in the field of housing’, especially with regard to rent-fixing; it also warned of the risk of penal sanctions if any council did not bring in the rent increases.⁵⁸ The statement included the following advice on when to raise rents:

The 50p increase on council rents should not be imposed at the beginning of April, as proposed in the Conservative Housing Finance Bill, since this would bring unnecessary hardship. The Bill is unlikely to become law by April, and Labour Local Authorities should not do the Government’s dirty work.⁵⁹

The NEC seems to have been more concerned with political tactics than with reducing the financial hardship to tenants. Not mentioned, although probably a consideration, was that an April increase would occur shortly before the local authority elections outside London. The NEC explained their policy on delaying the increases, as follows:

If Labour authorities do not raise their rents by 50p in April, they will be forced to increase the rent by £1 in October as a first instalment towards the higher rents. It would then be clear to everyone that these increases are solely due to the passage of the Tory legislation.’⁶⁰

⁵⁸ Labour History Archive and Study Centre (hereafter LHASC) Housing and Finance Working Group Minutes and Papers, Nov. 1971–Mar. 1974, ‘The Tory Higher Rents Bill,’ issued by NEC, 20 January [1972], p. 1.

⁵⁹ ‘The Tory Higher Rents Bill,’ issued by NEC, 20 January [1972], p. 2, the underlining is in the document; quoted in Patrick Bell, *The Labour Party in Opposition, 1970–1974* (London: Routledge, 2004) p. 63.

⁶⁰ ‘The Tory Higher Rents Bill,’ issued by NEC, 20 January [1972], p. 2, underlining is in document.

The NEC urged Labour groups to adopt a range of tactics to fight the Bill, in particular: demanding that the Secretary of State meet a local deputation; leafleting all council tenants; holding ward meetings to explain the government's proposals and working closely with tenant associations. All of these actions were compatible with a constitutional view.

Meanwhile, the Parliamentary Labour Party (PLP), led on the issue by Anthony Crosland, who shadowed Peter Walker, and Frank Allaun, fought an exceptionally long battle against the Bill in the House of Commons during the committee stage, which lasted four months to the end of March 1972.⁶¹ The government resorted to the device of the guillotine to close the debate.⁶² Crosland blamed the government for provoking Labour councillors into threats of defiance when he warned in the Commons, "if one practises the politics of confrontation as the government have done, one finds that two can play at confrontation."⁶³ But all along he made clear that he believed in compliance with the law and was unequivocal in his view that local authorities should be prepared to implement the legislation. For instance he said that he would not 'condone, let alone encourage, defiance of the law'.⁶⁴ But he pledged to repeal the Act when Labour was returned to power, in particular the imposition of a mandatory system of 'fair rents' in the public sector.

In May 1972 Crosland began urging local authorities to apply to the Department of the Environment (DoE) for a smaller rent increase than the one pound that was specified in the Housing Finance Bill. The Conservative controlled cities of Newcastle and Birmingham had demonstrated that ministers were prepared to compromise by allowing abatement in the October rent increase because they were already charging their tenants not far short of 'fair rents'.⁶⁵ The government introduced an amendment to the Bill which allowed the Secretary of State discretion to lower the rent increases of any local authority in the year 1972–3. The provision was known as the 'Newcastle amendment', because that city under Conservative control persuaded the DoE that an additional pound would make their rents excessive.⁶⁶ Abatement in the mandatory increase would apply if the Environment Secretary considered that it would result in the rents on at least two per cent of the council's houses being 'substantially' above the 'fair

⁶¹ Bell, *Labour Party in Opposition*, p. 62.

⁶² *The Times*, 14 March 1972, p. 8; Bell, *Labour Party in Opposition*, pp. 62–4.

⁶³ Bell, *Labour Party in Opposition*, p. 63.

⁶⁴ *Ibid.*

⁶⁵ Birmingham was the second largest housing authority in the country after the GLC.

⁶⁶ Hansard, HC Deb 8 May 1972 vol. 836 col. 941, Mr Crosland.

rent' level.⁶⁷ Birmingham council applied to the minister under the amendment, proposing that its rents should be increased by only 35 pence in October, which would bring them up to 'fair rent' levels.⁶⁸ The city argued that excessive rents would only force a large proportion of tenants to require a rebate and the significance was noted by the PLP.⁶⁹ Although some critics of the government suspected that political expediency was behind the introduction of the Newcastle amendment, Crosland attributed the government's willingness to compromise to pressure from his party.⁷⁰ By mid-May Crosland was expounding his policy of 'constructive opposition' and urging Labour councils to adopt this tactic by applying to the Secretary of State for abatement in the October increase.⁷¹ Many did so, including London boroughs. Stephanie Cooper contends that Labour authorities exploited the Newcastle amendment in return for agreeing to comply with the Act.⁷²

In the autumn of 1972, Labour politicians were annoyed that the government exempted council rents from its anti-inflation freeze, but the government's rationale was that the Housing Finance Act pre-dated the freeze so was not affected by it.⁷³ The extent to which the boroughs accepted the PLP's advice in opposing the legislation and the strategies their leaderships adopted over implementation are considered in Chapters Three, Four and Five.

Following the Labour Party's general election victory in February 1974, the new government imposed a temporary freeze on council rents to prevent further rises under the 1972 Act. It introduced its own legislation as a stopgap measure, reinstating the pre-1972 subsidy regime as well as local authority discretion over fixing 'reasonable' rents and the rule that housing revenue accounts were not to make a profit.⁷⁴ Anthony Crosland launched a review to be undertaken of housing finance with a working party

⁶⁷ Housing Finance Bill, Clause 63 (6); enacted in Housing Finance Act 1972, Clause 62 (4).

⁶⁸ Hansard, HC Deb 8 May 1972 vol. 836 col. 943, Mr Crosland.

⁶⁹ Hansard, HC Deb 8 May 1972 vol. 836 cols 943–4, Mr Crosland; *LGC*, 26 May 1972, p. 893, 'The Birmingham report on fair rents'. The DoE later notified Birmingham, after Labour took control of the council, that it was not prepared to agree the 35 pence proposal, but could accept an increase of 65 pence: *LGC*, 21 July 1972, p. 1244, 'Fair rents – the Ulrich letters'.

⁷⁰ Hansard, HC Deb 8 May 1972 vol. 836 cols 948, Mr Crosland.

⁷¹ *Labour Weekly*, 19 May 1972, pp. 3 and 12; Sklair, 'The Struggle Against the Housing Finance Act', pp. 254–5.

⁷² Cooper, *Public Housing and Private Property*, p. 24.

⁷³ *CJ*, 10 November 1972, p. 1.

⁷⁴ Housing Rents and Subsidies Act 1975; Cooper, *Public Housing and Private Property*, p. 30; Holmans, *Housing Policy in Britain*, p. 363.

that included external advisers and civil servants.⁷⁵ The aim appears to have been to make fundamental changes to resolve the confusion in the public sector.⁷⁶ The review was widened to provide a basis for a thoroughgoing reform of housing policy, but it proved otherwise. The Housing Green Paper that emerged in June 1977 settled on the status quo, and housing specialists have been widely critical of its conservatism.⁷⁷ Lord David Lipsey, Crosland's political adviser at the time, comments, 'This was perhaps the last occasion on which a progressive Labour housing policy could have been put in place.'⁷⁸

The incoming Conservative government of 1979 was in favour of substantial rent increases, but avoided the Heath Government's mistake of imposing a universal system on local authorities. Instead, the government exerted financial pressure on councils by imposing cuts in public expenditure to induce them to reduce their spending and supplement their income by raising rents. This strategy was indirectly responsible for evoking a different response to the Right to Buy scheme than that to the 'fair rents' legislation, because in 1980 Labour groups were engrossed in fighting the cuts. The introduction of mandatory council house sales was the culmination of a Conservative Party policy which had developed over several decades, as is explained in the next section.

As to the 1972 Act, it has been explained in this part of the chapter that the positions held by local Labour and Conservative politicians over rent-fixing were already polarised. The legislation was highly prescriptive with regard to the rent increases that were to be imposed, and included strong sanctions if a local authority was in default. The PLP and NEC held to a constitutional view by warning councils against defying the law. Anthony Crosland urged Labour councils to adopt a strategy of 'constructive opposition' by taking advantage of a compromise that the government had made by introducing the Newcastle amendment. The device, whereby ministers could abate the first year's rent increase, suited both the government and opposition as a means to stave off local rent rebellions. It might also be convenient to Labour

⁷⁵ *The Economist*, 3 May 1975 p. 15; David Lipsey, *In the Corridors of Power: An Autobiography* (London: Biteback, 2012) pp. 78–9.

⁷⁶ Malpass, *Reshaping Housing Policy*, pp. 126–7. In 1976 the policy became the responsibility of Peter Shore as Environment Secretary.

⁷⁷ For example, A. A. 'Della' Nevitt, 'British Housing Policy: Review Article', *Journal of Social Policy*, 7 (1978) pp. 329–34; Ray Forrest and Alan Murie, *Selling the Welfare State: The Privatisation of Public Housing* (London: Routledge, 1988) pp. 32–3; Malpass, *Reshaping Housing Policy*, pp. 126–9; Michael Harloe, *The People's Home? Social Rented Housing in Europe and America* (Oxford: Blackwell, 1995) pp. 425–8.

⁷⁸ Lipsey, *In the Corridors of Power*, p. 78.

leaderships in the boroughs with high rents as they had something to offer their tenants. But earlier controversies within Labour groups indicated that splits were likely to occur over implementation of the Act as some members, especially on the left of the party, would interpret ‘constructive opposition’ as conceding the principle of ‘fair rents’. Local Conservatives could exert pressure on Labour groups contemplating defiance by pointing to the risk of government retaliation, especially in the form of direct intervention or cancellation of subsidies. They could also support moves by the Heath Government to encourage the sale of council housing, an area of policy where politicians of the major parties were equally as polarised, as will be explained in the remainder of this chapter.

2.2: CONSERVATIVE TRIUMPH WITH COUNCIL HOUSE SALES

Political rows over voluntary sales

Before Tony Greenwood placed temporary restrictions on council rent increases in 1968, he alarmed London Conservative councillors when he issued a circular that urged authorities with a housing shortage to refrain from selling houses.⁷⁹ Greenwood had become alarmed at an upsurge in sales, particularly in large cities. The GLC, where Horace Cutler was housing chairman, disagreed with Greenwood’s request, as it held that its sales scheme would not affect the people who needed housing. As most council tenants remained in their homes indefinitely, an insignificant amount of the stock became available for re-letting.⁸⁰ It is likely that the energetic Horace Cutler, with his sales drive across London, had an influence on the Conservative groups which were in control from May 1968 – Brent, Camden, Greenwich, Hackney, Islington and Lambeth. All six of them introduced schemes for council house sales, but they were exploratory in nature and, initially at least, modest in scale.

Council house sales had not been a controversial issue between Labour and the Conservatives until an upsurge in transactions during 1967–8.⁸¹ Previously, tenants had showed little interest in buying, but circumstances changed with the general rise in

⁷⁹ Ministry of Housing and Local Government Circular 24/67; *The Times*, 15 March 1967, p. 6; 22 March 1967, p. 13; Forrest and Murie, *Selling the Welfare State*, pp. 44–5.

⁸⁰ LMA, Greater London Council Minutes 1967, pp. 345–7, Report (No. 3) of the Housing Committee, 11 May 1967; Wes Whitehouse, *GLC – The Inside Story* (Sunbury-on-Thames: James Lester, 2000) p. 65.

⁸¹ Stephen Merrett with Fred Gray, *Owner-Occupation in Britain* (London: Routledge & Kegan Paul, 1982) pp. 118–20; Aled Davies, “‘Right to Buy’: The Development of a Conservative Housing Policy”, *Contemporary British History*, vol. 27, no. 4 (2013) pp. 427–31.

incomes and a growing interest in owner-occupation among skilled workers. In response, some large city councils, where the Conservatives took control in 1967, initiated sales schemes.⁸² Although Horace Cutler at the GLC is particularly associated with an aggressive attitude to council house sales (he has been described as the ‘first prophet’ of privatisation), it was Francis ‘Frank’ Griffin at Birmingham City Council who gave a lead.⁸³ During 1968 both Cutler and Griffin sat on the Conservative Party’s policy group on housing which included Margaret Thatcher and Sir Keith Joseph who was in the chair.⁸⁴ A recommendation from this group was for council estates to be sold off to what it called ‘co-ownership housing societies’, but it excluded housing where there was an acute shortage and put forward no new ideas on sales to sitting tenants.⁸⁵

While London boroughs were preparing their schemes, Greenwood issued a second Ministry circular in August 1968 compelling authorities to restrict the number sold.⁸⁶ It allowed a London authority to sell only one house a year for every 400 of its stock.⁸⁷ This restriction meant, for example, that Camden, with a large housing stock, was limited annually to 45 sales.⁸⁸ Interest among tenants was low, even for the limited number allowed by the Greenwood formula. In Lambeth, for example, a well-designed scheme under the guidance of the housing director, Harry Simpson, offered 40 houses a year for tenants to purchase. Almost a year later, only four tenants were going ahead with a purchase.⁸⁹

The Greenwood quota system remained in operation for nearly two years until the incoming Heath administration lifted it in July 1970.⁹⁰ As the six Conservative administrations lost control the following May, few houses were sold and in two of the boroughs, Hackney and Islington, none at all.⁹¹ The most ambitious schemes were devised by Brent and Camden. Brent offered all of its houses and flats to tenants of at

⁸² Forrest and Murie, *Selling the Welfare State*, pp. 46–7.

⁸³ *The Independent*, 4 March 1997, ‘Obituary: Sir Horace Cutler’, www.independent.co.uk/news/obituaries/obituary-sir-horace-cutler-1270966.html accessed on 17 January 2012. Francis F. Griffin, *How to Sell Council Houses* (London: Conservative Political Centre, 1967). Sir Francis Griffin (1904–82) was leader of Birmingham City Council from 1964 to 1972.

⁸⁴ Conservative Party Archive, ‘Report of the Policy Group on Housing’, 16 July 1968, ACP3/15(68)50.

⁸⁵ Conservative Party Archive, ‘Report of the Policy Group on Housing’, 16 July 1968, ACP3/15(68)50, pp. 25 and 32.

⁸⁶ Ministry of Housing and Local Government Circular 42/68.

⁸⁷ The Ministry expressed it as ‘one-quarter of one percent of local authority’s housing stock.’ Holmans, *Housing Policy in Britain*, p. 206.

⁸⁸ LBC, Council Agenda, 9 October 1968, pp. 605–8, Policy & Resources Committee Report, 30 September 1968.

⁸⁹ LBL, Council Agenda, 9 October 1968, pp. 181–4, Housing Committee Report, 16 September; Council Minutes, 9 October 1968, pp. 262–3; *SLP*, 20 September 1968, p. 1.

⁹⁰ Department of the Environment Circular 54/70.

⁹¹ *IG*, 11 July 1972, p. 1.

least two-years' standing.⁹² Unusually, the council appointed estate agents to promote the sales, paying a fee for each sale that resulted, and the practice contributed to Brent's reputation for right-wing policies.⁹³ Camden adopted a similar scheme, but used its own staff to handle sales.⁹⁴ Greenwich and Lambeth, limited the sales to certain categories of housing.

John Major, the housing chairman on Lambeth council in 1970–1, took advantage of the removal of restrictions on sales. In his autobiography he explains: 'We drew up schemes to sell council houses and to build houses for sale in an attempt to revive owner-occupation and encourage skills and employment in Lambeth.'⁹⁵ Under the influence of the high-flying housing director, Harry Simpson, Major initially showed a concern to protect the integrity of the council's estates, contrasting markedly with the aggressive policies adopted by the GLC and Brent. Major later extended the scheme, but excluded cottage estates because it would interfere with improvement plans for them.⁹⁶ Anthony Seldon has pointed out that Major's approach to sales was not as radical as those of other London boroughs under Conservative control.⁹⁷

Labour groups consistently opposed schemes to sell council houses. In Brent the Labour leadership criticised the scheme for involving estate agents unnecessarily, and complained that they put undue pressure on tenants in their sales drive. The Conservative leadership denied these allegations.⁹⁸ It was to be another decade before a Conservative government introduced the Right to Buy, but the battle lines were already being drawn between Conservative and Labour councillors over the sale of council houses.

One of the first actions taken by the incoming Labour administrations of 1971 was to scrap the sales schemes, with Camden and Greenwich halting all transactions

⁹² LBB, Council Agenda, 7 October 1970, pp. 87–8, Vacation Committee Report, 29 July 1970; Council Minutes, 7 October 1970, pp. 189–90.

⁹³ LBB, Council Minutes, 7 October 1970, p. 191; Council Agenda, 10 February 1971, pp. 350–1, Development Committee Report, 19 January 1971; Council Minutes, 10 February 1971, p. 409; Christopher Price, 'Still No Soul in TORYTOWN', *New Statesman*, 22 January 1971, p. 102.

⁹⁴ LBC, Council Agenda, 14 October 1970, pp. 504–5, Housing Committee Report, 15 September; Council Minutes, 14 October 1970, p. 576.

⁹⁵ John Major, *John Major: The Autobiography* (London: HarperCollins, 1999) pp. 47–8.

⁹⁶ LBL, Council Agenda, 9 December 1970, pp. 350–1, Housing Committee Report, 16 November 1970; Council Minutes, 9 December 1970, p. 437.

⁹⁷ Anthony Seldon, *Major: A Political Life* (London: Weidenfeld & Nicolson, 1997) p. 34.

⁹⁸ *WBC*, 19 February 1971, p. 10; 30 April 1971, p. 1; LBB, Council Agenda, 5 May 1971, p. 549, Development Committee Report, 14 April 1971.

except where the council was committed legally to completing a sale.⁹⁹ The Conservatives bitterly criticised the change in policy, arguing that there was a moral obligation to complete all sales that were under way. Geoffrey Finsberg MP, the former Camden leader, was annoyed with the Labour administration's refusal to complete the sales arranged before the local elections. Somewhat in desperation, he put a motion to the full council in November that would commit the council to complete sales where the purchase price had been agreed by the end of May.¹⁰⁰ Under pressure during a heated debate, Finsberg said he was prepared to call upon the aid of the government: "I'll serve notice here and now I'll use every endeavour to persuade the minister to get every council tenant the *right to buy* their own homes from the council."¹⁰¹ These were strong words for a moderate Conservative. Yet the housing minister, Julian Amery, had already told Finsberg that he did not want to legislate over council house sales or to "interfere with the exercise of the powers of local authorities."¹⁰² Finsberg had to wait until the end of the decade before his threat of compulsion was fulfilled.

In view of the reputation which Greenwich was later to acquire over its performance on the Right to Buy scheme, the attitude of the Labour leadership to voluntary sales is of particular significance. Although Greenwich tenants showed little interest, during the run-up to the 1971 local elections, the Conservatives announced a plan to extend the scheme.¹⁰³ John Cartwright, as Labour group leader, went through the motions, unsuccessfully, of having the policy reversed on the grounds of cost as there was little interest from tenants, and this was the form elsewhere.¹⁰⁴ Following Labour electoral success, Cartwright immediately reversed the Conservative sales policy. A group of disappointed tenants, accompanied by the leader of the opposition group, Charlie Miles, lobbied Paul Channon, the junior housing minister at the DoE.¹⁰⁵ Such complaints were to no avail as the government recognised that a local authority had discretion in this area of policy, and this added to the frustration of local Conservatives.

At the time that 'fair rents' were being introduced under the Housing Finance Act, ministers wrote to local authorities urging them to offer houses for sale to their

⁹⁹ *SELKM*, 20 May 1971, p. 1; *CJ*, 25 June 1971, p. 1; LBC, Council Agenda, 21 July 1971, p. 407, Housing Committee (No. 1) Report, 22 June; Council Minutes, 21 July, pp. 498–9.

¹⁰⁰ LBC, Council Minutes, 17 November 1971, p. 701.

¹⁰¹ *HHE*, 26 November 1971, p. 9. Italics added by author in view of the significance of the phrase.

¹⁰² Hansard, HC Deb 27 October 1971 vol. 823 cols 709–10.

¹⁰³ *SELKM*, 1 April 1971, p. 5.

¹⁰⁴ LBG, Council Agenda, Housing Committee Report, 6 November 1969; Council Minutes, 3 December 1969 (docs 74 and 75).

¹⁰⁵ *SELKM*, 8 July 1971, p. 22.

tenants. Although these efforts led to a temporary surge in sales by Conservative authorities,¹⁰⁶ the eight boroughs predictably rejected the formal Circular from the DoE. Some authorities pointed out that they already encouraged owner-occupation of private housing through mortgage loan schemes.¹⁰⁷ Each borough steadfastly refused to contemplate reviewing its policy over council house sales throughout the remainder of the 1970s. The attitude of Labour councillors is in marked contrast to that of Harold Wilson's advisers in Downing Street, Bernard Donoughue and Joe Haines, who would have liked to have seen the Labour government placing an obligation on councils to sell to their tenants. Anthony Crosland was more in tune with Labour activists' views as he appreciated that the Donoughue/Haines proposal would have been politically unacceptable to the party.¹⁰⁸ The Green Paper of June 1977 – following the policy review – concluded that it was not generally desirable because of the harm that would be caused by depleting a council's housing stock, especially the better houses, and the estate management problems that would follow. In response to an increasing number of sales by Conservative controlled local authorities, including the GLC, during 1977–8, the Labour government issued a revised general consent restricting the sale of houses to sitting tenants with a tenancy of at least two years and banning the sale of all vacant houses.¹⁰⁹ In the 1979 general election Labour campaigned against the sale of council houses 'in areas of serious housing need'.¹¹⁰

Labour councillors had plenty of warning that Conservative policy on sales was hardening during the 1970s. From Conservative Party workers at annual conferences bemoaning Labour's restrictive attitude towards council house sales, mandatory sales became official policy by 1974.¹¹¹ In its policy statement, *The Right Approach*, the Conservative Party set out its new position clearly:

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,

¹⁰⁶ Forrest and Murie, *Selling the Welfare State*, p. 52.

¹⁰⁷ DoE Circular 56/72; LBG, Council Agenda, Housing Committee Report, 29 June 1972; Council Minutes, 26 July 1972 (docs 351 and 352).

¹⁰⁸ Bernard Donoughue, *The Heat of the Kitchen: An Autobiography* (London: Politico's Publishing, 2004) pp. 198–201; Lipsey, *In the Corridors of Power*, pp. 76–7.

¹⁰⁹ GLC, Minutes of Proceedings, 13 December 1977, pp. 482–3; Forrest and Murie, *Selling the Welfare State*, p. 54.

¹¹⁰ Iain Dale (ed.) *Labour Party General Election Manifestos 1990–1997* (London: Routledge/Politico's, 2000) p. 226.

¹¹¹ Forrest and Murie, *Selling the Welfare State*, p. 50.

with access to the courts if the council refused the tenant's request to purchase or if it was obstructive.¹¹²

The route to the Right to Buy can also be traced through the Conservative Party manifestos issued for the four general elections between 1970 and 1979. The policy developed from a general statement that more council tenants should become home-owners to a commitment to a 'legal right to buy' for all council tenants of three years standing. Sales would be at a discounted price and with a 100 per cent mortgage.¹¹³

By the time that the Conservatives under Margaret Thatcher won the 1979 general election, Labour borough councillors were familiar with local Conservative administrations selling council houses. Although the most spectacular results had been obtained by the GLC, six of the boroughs had launched schemes during 1968–71. Accordingly, Labour councillors were entrenched in their opposition to sales when the Thatcher Government introduced the legislation. They were also united over the issue, so any split over implementation of Right to Buy was unlikely to arise over policy. Meanwhile, local Conservatives in the six boroughs had experienced frustration in introducing their sales policies, firstly by the Greenwood cap and then by the hasty reversal of their policies in 1971.

The Thatcher Government's attack on council housing

Within two weeks of Margaret Thatcher forming her first government in May 1979, Michael Heseltine, Secretary of State for the environment, formally announced in Parliament that he would be acting on his party's mandate for local authorities to sell council houses. He proposed to do this in two stages: in the following week he would revoke the restrictions on sales imposed by the previous government earlier in the year and allow local authorities greater discretion to sell; later, he would introduce a bill giving local authority tenants the right to buy.¹¹⁴ Heseltine said that he deplored threats by some Labour authorities to frustrate the government's intentions for this legislation.¹¹⁵ He duly carried out the change in policy according to his plan. There was no White Paper, but in October 1979 Heseltine's department undertook a hurried

¹¹² www.margaretthatcher.org/document/109439 accessed on 12 September 2013. Margaret Thatcher Foundation, Conservative Central Office, *The Right Approach* (1976) p. 52.

¹¹³ Iain Dale (ed.) *Conservative Party General Election Manifestos 1900–1997* (London: Routledge/Politico's, 2000) pp. 244 and 277.

¹¹⁴ Hansard, HC Deb 17 May 1979 col. 409.

¹¹⁵ *Ibid.*, col. 410.

consultation with local authority organisations on the proposals to introduce the statutory Right to Buy.¹¹⁶ The Housing Bill was published on 20 December 1979, and on 8 August the following year it was enacted, with the stipulation that the new scheme was to come into force on 3 October 1980.¹¹⁷ The legislation was so rushed during the final stages that printed copies of the Act were only generally available shortly before the date of operation.¹¹⁸

The Right to Buy was a national scheme, without local variation, that provided council tenants with a statutory right to purchase their home at a discount, with an automatic right to a mortgage from the council to cover the cost of purchase. Any tenant who had held a council tenancy for three or more years was eligible to buy, with a discount on the price ranging from between 33 and 50 per cent, depending on the number of years of the tenancy, the maximum discount being for 20 or more years. The life of the tenancy was not tied to any particular council house and there were rights of succession within families. Like the Housing Finance Act eight years earlier, the legislation contained robust powers allowing the Secretary of State to intervene where he considered that a tenant or tenants of a particular council were having difficulty in exercising their rights under the scheme ‘effectively and expeditiously’.¹¹⁹ Some commentators have used the term ‘draconian’ to describe these powers.¹²⁰ Unlike the 1972 legislation, there was no mention of appointing a housing commissioner, leaving it open to the Secretary of State to appoint DoE officials as he considered necessary and allow them to give directions to town hall officers. Nevertheless, some Labour councillors talked loosely about the possibility of Heseltine appointing a ‘housing commissioner’.

The PLP was led on the issue in the House of Commons by Roy Hattersley and Gerald Kaufman. Their opposition to the Bill lasted for almost as long as the PLP’s battle with the Heath Government over the Housing Finance Bill.¹²¹ As Heseltine was intent on having the Bill enacted before the summer recess, the government resorted to the guillotine, as with the Housing Finance Bill, but this time applied to the committee

¹¹⁶ TNA, HLG 29/2181.

¹¹⁷ Housing Act 1980, Chapter 51.

¹¹⁸ Forrest and Murie, *Selling the Welfare State*, p. 57.

¹¹⁹ Housing Act 1980, sections 23 and 24.

¹²⁰ Cooper, *Public Housing and Private Property*, p. 104. The use of this term ‘draconian’ to describe the minister’s powers under the 1980 Act was used by Kerr L. J. in *Norwich City Council v. Secretary of State for the Environment*: *The All England Law Reports* (London: Butterworths, 1982) p. 748.

¹²¹ The Labour Party, *Report of the Annual Conference and Special Conference of the Labour Party 1980*, pp. 113–4.

and report stages.¹²² Hattersley particularly objected to the exceptional powers given to the Secretary of State to intervene to enable tenants to exercise the Right to Buy, describing them as a “fundamental danger to the British constitution”.¹²³ However, when the legislation finally made it onto the statute book, Hattersley’s advice to Labour councils was similar to Crosland’s in 1972: compliance with the law, although he indicated that they should ‘work to rule’ over sales.¹²⁴

The NEC realised that there would be legal dangers in advising Labour groups to use delaying tactics in implementing the legislation because it would be unlawful for a local authority to pass a resolution to delay dealing with applications from tenants. Although there might be a genuine reason for a local authority taking a long time to ‘process’ applications, especially a shortage of staff, this defence would be undermined if the NEC were to issue advice to adopt such a strategy.¹²⁵ The most that the NEC could do was to stress the need for councils to conduct campaigns against sales. Among the arguments it wanted them to make were: the most desirable houses were more likely to be sold than others, so people on the waiting list would have less choice and have access to poorer quality housing; fragmentation of ownership would add to estate management problems; government policy ignored and undermined local democracy.¹²⁶

When the Right to Buy scheme came into operation, the London Labour boroughs were already involved to various degrees in other political battles with Michael Heseltine. Foremost among these was the defence of local services against government cuts. As explained in Chapter One, Ted Knight campaigned against the cuts and tried to persuade Labour councils to work together.¹²⁷ Heseltine began targeting ‘overspending’ authorities and produced league tables of high spenders, such as Camden and Islington.¹²⁸ He reduced financial support for 1980–1 substantially and, although London Labour boroughs made some reductions in expenditure, they generally settled on massive rate increases in 1980.¹²⁹ This had a significant bearing on the

¹²² *LGC*, 25 April 1980, p. 442, ‘Housing Bill guillotined amid MPs protest’; 30 May 1980, p. 572, ‘Housing Bill concessions will ease some difficulties ...’.

¹²³ *LGC*, 4 January 1980, p. 6, ‘Fierce fight over enabling powers’.

¹²⁴ Cooper, *Public Housing and Private Property*, p. 105.

¹²⁵ LHASC, Labour Party Research Department, Housing Sub-Committee, ‘COUNCIL HOUSE SALES: THE ENFORCEMENT PROVISIONS’ [RD.205/January 1980].

¹²⁶ LHASC, Labour Party Research Department, National Executive Committee, ‘DRAFT ADVICE ON COUNCIL HOUSE SALES’ [RD.486/July 1980].

¹²⁷ *SLP*, 27 July 1979, p. 3; 29 August 1979, p. 4; 18 September 1979, p. 1.

¹²⁸ *IG*, 25 January 1980, p. 10; Tony Travers, *The Politics of Local Government Finance* (London: Allen & Unwin, 1986) pp. 81–2; D. Butler, A. Adonis and T. Travers, *Failure in British Government: The Politics of the Poll Tax* (Oxford: Oxford University Press, 1994).

¹²⁹ Travers, *The Politics of Local Government Finance*, pp. 81–2; p. 217, Table App.14.

implementation of Right to Buy. In August, when the legislation passed onto the statute book, a political battle appeared to be imminent between authorities opposed to operating the Right to Buy and the government.¹³⁰ But Labour groups were much exercised by the financial problems arising from the cuts. In September Heseltine put pressure on 14 ‘overspending’ authorities, threatening to penalise them financially.¹³¹ Hence, a decision over the strategy to adopt over house sales, though critical for the future of a council’s housing stock and its management, was one among several government initiatives that were controversial among councillors. As one Greenwich councillor recalls, the Right to Buy scheme was ‘just another item of the onslaught’.¹³² Unlike the Housing Finance Act, the 1980 legislation was seldom treated as the highest priority on a Labour group’s agenda.

As to the introduction of the 1980 Act, the positions held by local Labour and Conservative politicians were already polarised. The legislation prescribed in some detail how each stage of the sales process was to be operated, and provided ministers with powerful sanctions if a local authority defaulted, including direct intervention in the running of the housing service. As previously, the PLP and NEC held to a constitutional view by urging councils to abide by the law. Roy Hattersley suggested that local authorities could work to rule in implementing the government scheme, but for legal reasons, neither he nor the NEC could go so far as to advise Labour groups to use delaying tactics over sales. Local Conservatives could exert pressure on Labour groups contemplating defiance by supporting tenants seeking to buy and reporting delays to the DoE.

The performance of Labour councils was soon subject to scrutiny by ministers. In the House of Commons on 4 March 1981, John Stanley announced that his Department had ‘taken up formally’ with 16 local authorities its concerns over their progress in implementing the Right to Buy scheme. Included in the list were Camden, Greenwich, Lambeth and Newham.¹³³ Then on 1 April, Stanley named Hackney among 11 authorities which had been contacted by the DoE in a similar manner.¹³⁴ Two weeks later, some six months after the Act had come into force, Stanley announced that he was particularly dissatisfied with the lack of progress being made by seven of the previously

¹³⁰ *WBC*, 15 August 1980, p. 8.

¹³¹ *HHE*, 19 September 1980, p. 1; Wauchope, *Camden*, p. 119.

¹³² Author’s interview with Allan MacCarthy, 8 June 2012.

¹³³ Hansard, HC Deb 4 March 1981 vol. 3 col. 268.

¹³⁴ *Ibid.*, 1 April 1981 vol. 3 col. 104.

‘named’ local authorities, including Camden, Greenwich and Newham.¹³⁵ He sent them written warnings that the Secretary of State was ‘contemplating serving a notice of intervention on them’. It is not surprising that Stanley targeted Greenwich in this way, as the Labour group had openly held out against implementation as will be explained in Chapter Eight. The council only reluctantly accepted that it would have to operate the scheme and there was every indication that it would be slow in doing so. The circumstances in the other boroughs varied widely. In May 1981 Brent was named in the Commons among 12 authorities because of lack of progress.¹³⁶ The tactics used by the boroughs to delay sales and the strained relationship they had with ministers and Whitehall officials between 1981 and 1983 is described in Chapters Seven and Eight.

The government and its supporters found the 1980 Act to be wanting in several respects, allowing Labour councils to exploit loopholes and to refuse sales where they had been given a degree of discretion. Following the Conservative victory at the 1983 general election, the second Thatcher Government introduced amending legislation that included changes to widen the appeal of the Right to Buy scheme.¹³⁷ The length of an eligible tenancy was reduced from three to two years and the range of discounts on the price was widened to between 32 and 60 per cent. The scheme was extended to most houses where the council only held a leasehold interest in the land. Greater help was provided for tenants having difficulty with their council over a Right to Buy application.¹³⁸ The legislative changes effectively consolidated the position of the scheme which remained a feature of housing policy for the remainder of the twentieth century and indeed beyond. Having fought and lost the 1983 general election on a manifesto that included the repeal of the Right to Buy, some leading Labour politicians such as Peter Shore and Roy Hattersley decided that the party should respond to the aspirations of council tenants to buy their homes.¹³⁹ Neil Kinnock, the new Labour leader, endorsed this view and successfully lobbied for a change in party policy so that they fought the 1987 election with a pledge that a Labour government would retain the Right to Buy.¹⁴⁰ Later, Kinnock blamed his Party’s 1979 electoral defeat on its

¹³⁵ Ibid., 15 April 1981 vol. 3 cols 335–43.

¹³⁶ Ibid., 1 May 1981, cols 474–5, written answer by John Stanley.

¹³⁷ Housing and Building Control Act 1984.

¹³⁸ Forrest and Murie, *Selling the Welfare State*, pp. 57–8.

¹³⁹ Peter Riddell, *The Thatcher Government* (Oxford: Basil Blackwell, 1985) p. 156.

¹⁴⁰ Neil Kinnock, ‘Reforming the Labour Party’, *Contemporary Record*, vol. 8, no. 3 (1994) p. 541; Dale, *Labour Party General Election Manifestos*, p. 301; David Parker, *The Official History of Privatisation*, Vol. 1, *The Formative Years 1970–1987* (London: Routledge, 2009) p. 434.

opposition to the introduction of the scheme.¹⁴¹ The New Labour government of 1997 under Tony Blair endorsed its support for the Right to Buy, although it made minor modifications by limiting discounts before a major amendment to the legislation rendered the scheme less generous.¹⁴² By the 1990s housing policy had ceased to be a key issue in national politics. Nick Raynsford MP believes that the 1983 general election campaign was the last in which housing played a significant part. The Labour Party policy-makers now regarded council housing in a negative light, and politicians who appreciated the importance of the subject had difficulty in persuading the party leadership to discuss it.¹⁴³

Conclusion

It has been shown in this chapter that there was antagonism between local Labour and Conservative politicians over rent-fixing and council house sales before the Heath and Thatcher governments introduced legislation to push through ‘fair rents’ and the Right to Buy scheme. The Acts of 1972 and 1980 were highly prescriptive in the way they operated and armed ministers with the means of imposing strong sanctions in the event of local authority defiance. There was bound to be opposition from Labour-controlled authorities, but the serious implications of default and the ‘constitutional’ approach advocated by the PLP and NEC would persuade most Labour councillors to conform. To stave off threatened rebellions by Labour councils the Heath Government introduced the Newcastle amendment. This compromise was seized on by the PLP which urged councils to adopt ‘constructive opposition’ which could enable compliant authorities with high rents to demonstrate to their tenants that they had negotiated abatement in the first year’s rent increase. There was no such compromise offered by the Thatcher Government over the 1980 Act, but in any case compromise was unnecessary because there was little opposition to council house sales among tenant organisations and dissent by Labour councils was muted.

¹⁴¹ Kinnock, ‘Reforming the Labour Party’, p. 541.

¹⁴² Colin Jones and Alan Murie, *The Right to Buy: Analysis and Evaluation of a Housing Policy* (Oxford: Blackwell, 2006) pp. 38–41.

¹⁴³ Author’s interview with Nick Raynsford MP, 28 April 2011. Nick Raynsford has been Labour MP for Greenwich (1992–7) and Woolwich and Greenwich (1997 to the present). His government responsibilities include the environment and local government. He was a member of the London Borough of Hammersmith at the time of the Housing Finance Act 1972.

There were important differences between the pieces of legislation and the contexts in which Labour councillors operated in 1972 and 1980. The timescale for the implementation of the two Acts were dissimilar as there were specific dates for raising rents for all tenants, whereas a town hall had to respond within time-limits on a multiplicity of tenants' applications. Thus once a council agreed to implement 'fair rents' legislation, the DoE could easily check that rents were being raised in compliance with the Act in a way that was not possible under sales. A council could agree to operate the Right to Buy scheme and then frustrate the government policy by delaying individual sales. When the 'fair rents' legislation was passing through Parliament councils had to make a decision over implementation; this was the sole battle of any magnitude being fought out between the government and Labour authorities. In contrast, when the Right to Buy scheme was being introduced Labour boroughs were already involved to various degrees in other political battles with Michael Heseltine, especially over the financial cuts. As to the likelihood of splits in town hall Labour groups over the major changes in policy, divisions within Labour groups in the 1950s and 60s over council rents indicated that they might occur again 1972. In contrast, Labour groups were united in their opposition to council house sales which was likely to lead to consensus over strategy.

Conservative opposition groups could on each occasion exert pressure on Labour groups contemplating defiance by pointing to the risk of government retaliation, such as direct intervention. They could report what they saw as misdemeanours to the DoE and support applications from individuals over the Right to Buy.

CHAPTER THREE:

REACTIONS TO 'FAIR RENTS' BILL, 1971–2

When local Labour administrations were formed following the party's success at the May 1971 elections, they had to contend with government policies which ran counter to their deeply held beliefs. The imposition of 'fair rents' for council housing was the biggest issue, but the first major skirmish with the Heath Government was over free school milk. The Education (Milk) Bill was published shortly before the local elections of 13 May, with the White Paper, *Fair Deal for Housing*, following on 13 July, and the Housing Finance Bill in November.¹⁴⁴ Both Bills sought to replace universal with targeted provision of a long-established service, producing exceptionally strong reactions among Labour politicians and the general public.¹⁴⁵

The significance for Labour councillors of the government's school milk policy was that they could take advantage of a loophole in the wording of the legislation which offered them hope of frustrating the intentions of the Housing Finance Bill. Margaret Thatcher, the inexperienced education secretary, sought to prevent local authorities providing free milk to primary school children aged seven and over, except for medical reasons. But the terms of the 'Milk Bill', as it became known, were open to avoidance because the Bill was only mandatory on *education authorities*; so in places with two tiers of local government – which was the norm – the second authority could fund the milk, since only one was the education authority. In areas of the capital where the Inner London Education Authority (ILEA) was responsible for the service, the boroughs escaped the milk ban (see Map of London Boroughs on page 4). Of our eight boroughs, only Brent and Newham were unitary authorities with no choice but to comply.¹⁴⁶

There are features of this outcome which proved to be relevant to the subsequent battle over the housing finance legislation. Advice on how to avoid the mandatory regulations originated from the responsible parliamentary spokesman, Edward Short. Although the Labour-controlled ILEA devised a scheme whereby the boroughs in its area could take over responsibility for providing milk, this depended on cooperation between local authorities and the involvement of the London Boroughs Association in

¹⁴⁴ Cmnd. 4728; Housing Finance Bill, Second Reading, Hansard, Session 1971–2, 15 November 1971, col. 32; Education (Milk) Act 1971.

¹⁴⁵ Interestingly, the Wilson Government had banned the provision of free milk in secondary schools with little reaction.

¹⁴⁶ Ben Pimlott and Nirmala Rao, *Governing London* (Oxford: Oxford University Press, 2002) p. 49; Nick Barratt, *Greater London: The Story of the Suburbs* (London: Random House Books, 2012) p. 439.

coordinating the scheme.¹⁴⁷ Margaret Thatcher claimed that it would be illegal for *any* council to finance free milk and warned against using the rate fund for that purpose.¹⁴⁸ As councillors were anxious to avoid the risk of surcharge, Lambeth took the initiative in seeking expert opinion, with some other boroughs sharing the cost.¹⁴⁹ Only when councillors were assured that it was safe to join the scheme did inner London schools resume free milk provision with the boroughs bearing the cost. While councillors requested their officers to look for loopholes that they could exploit in the Housing Finance Bill, Conservative ministers were determined to ensure that they provided no such opportunities in future.

This chapter, which is in two parts, covers events up to April 1972 when the Secretary of State, through the White Paper, advised housing authorities to take the first step in the phased increases in the direction of ‘fair rents’. Anthony Crosland was shortly to begin urging Labour councils to adopt the tactic of ‘constructive opposition’ instead of resorting to confrontational measures. The first part of the chapter examines the reactions of the boroughs to the change in government policy and reviews the various objections to the government proposals. It also traces the emergence of a more robust approach in some quarters. The second part investigates attempts by councils to work together, including a London-wide Labour gathering. It examines the development of alternative strategies, including isolated decisions to start down the road towards defiance of central government.

3.1: DEBATES ON THE CONTROVERSIAL LEGISLATION

Little has been written about the response of local authorities during the early stages of the housing finance legislation.¹⁵⁰ During the second half of 1971 local councillors had ample time to digest the contents of the White Paper, and there was not much new to discuss when the Bill followed before Christmas. Although much anger poured out from Labour benches in council chambers, some members recognised that the policy changes included beneficial features. It was to be expected that Conservative councillors would welcome the policy of higher rents, not only out of tribal loyalty, but also because it endorsed the approach their administrations had begun to introduce before losing

¹⁴⁷ *The Guardian*, 15 June 1971, pp. 4, 18; ILEA, Minutes of Proceedings of the Authority, 16 June 1971, p. 108; *The Times*, 17 June, 1971, p. 4; *SLP*, 18 June 1971, p. 1.

¹⁴⁸ *SELKM*, 17 June 1971, p. 20.

¹⁴⁹ London Borough of Lambeth, Agenda of Special Council Meeting, 6 October 1971, pp. 152–4; Minutes of Special Council Meeting, 6 October 1971, pp. 156–7.

¹⁵⁰ An exception is Piers Wauchope, *Camden: A Political History* (Tunbridge Wells: Shaw Books, 2010).

control at the recent elections. It was Labour's landslide victory at the polls that led the new leaderships to argue that they had a mandate for their policy of 'reasonable' rents. Thus by early 1972 calls were being heard for a tougher approach to opposing the government.

Widespread criticism of the government proposals

Labour leaderships were generally keen to discuss the White Paper publicly after the customary August recess.¹⁵¹ When the Bill appeared in early November, consideration of the White Paper was largely superseded by debates on the draft legislation and there were some meetings with tenants. The early responses of Labour authorities were highly critical of the government proposals on both the introduction of 'fair rents' for council housing and the mandatory rent increases. But despite some isolated calls for radical action, these objections were expressed corporately in terms which might have been expected of Labour councils faced with any controversial Conservative legislation. For instance, Camden declared its intention 'to do everything in its power to resist the implementation of any legislation based on the proposals contained in the White Paper' and pledged to 'minimise the effect in Camden of such a bill.'¹⁵² The leader of Brent Council, Alderman Phil Hartley, gave the following undertaking, "I promise that until the policy becomes law, rents will not be increased in Brent."¹⁵³ These sentiments were consistent with opposing the government's new policy along constitutional lines. Until the spring of 1972, councils conformed to this mode of proceeding without any of the authorities threatening outright defiance. Nonetheless, with the publication of the Bill, the focus of Labour councillors was sharpened by the government firming up its legislative proposals. These included granting the Environment Secretary authority to appoint 'a housing commissioner' where he considered a local authority to be in default of its responsibilities under the Act, and the power to withdraw housing subsidies. A housing commissioner would have wide powers to take over as much of the defaulting authority's housing service as the Environment Secretary decided was necessary.¹⁵⁴

There were two common themes in the widespread criticisms made by Labour councillors of the effects of the proposals on local authority rents. One was that central

¹⁵¹ Although there appears to be no record in the Southwark council minutes of the White Paper being discussed at this stage.

¹⁵² LBC, Agenda of Council Meeting, 30 September 1971, p. 511a, Report of the Housing Committee, 23 September; Minutes of Council Meeting, 30 September, pp. 512g–512h.

¹⁵³ *WBC*, 27 August 1971, p. 1.

¹⁵⁴ Housing Finance Bill, Part IX, clauses 93 to 95.

direction would replace decision-making by locally elected councillors; the other was that 'fair rents' were inappropriate for council tenancies and rents would rise to an unacceptable level. Labour councillors generally welcomed the parts of the legislation concerning slum clearance subsidies and the rent rebate and rent allowance arrangements, although not the way that they were to be funded.¹⁵⁵ For the remainder of 1971 and early 1972 leading councillors were very much guided in their responses by their officers. This reaction is particularly evident in Lambeth, where the eminent Harry Simpson was the housing director¹⁵⁶ and the council officers had a significant input into a lengthy and detailed housing committee report on the White Paper.¹⁵⁷

The criticisms of the legislation were expressed in various ways and Conservative councillors invariably dissented from them. Labour's Lou Sherman immediately expressed concern at government threats to the boroughs' discretion over rent-fixing.¹⁵⁸ When the White Paper was published, he returned to this theme at a full meeting of Hackney council. A black cab driver by occupation, Lou Sherman was adept at using a colourful phrase: he declared that the White Paper would 'do more harm to Hackney than Hitler's bombs'.¹⁵⁹ He complained that councillors would no longer be able to fix their own rents and that the government was treating council tenants as 'pariahs'. He was also concerned that rents were eventually likely to double. The Conservatives stressed that under the government's proposals, a system fair to all tenants would replace the existing one under which only council tenants benefited.¹⁶⁰ A little later, a majority of Hackney councillors put it more formally as 'an unwarranted and indefensible incursion into the freedom of local authorities to act in the best interests of their citizens.'¹⁶¹ In Islington, Labour councillors expressed similar criticisms of the government in even stronger language for proposing 'to take unprecedented powers which can be used to limit the freedom of local government, intimidate Councillors, crush local initiative and, [which] therefore, will be destructive

¹⁵⁵ LBL, Minutes of Council Meeting, 8 December 1971, Report of Special Meeting of Housing Committee, 1 December, pp. 369–74.

¹⁵⁶ H. G. Simpson, OBE, was a member of the Central Housing Advisory Committee (CHAC) when it produced a report on council housing. He worked for Lambeth council for almost 10 years before becoming director general of the Northern Ireland Housing Executive in January 1972 [LBL Council Agenda, 8 December 1971, p. 309].

¹⁵⁷ LBL, Agenda of Council Meeting, 20 October 1971, Report of Housing Committee, 27 September, pp. 211–19.

¹⁵⁸ *HG*, 18 June 1971, p. 9. Lou Sherman had recently become chairman of the London Boroughs Association (LBA) which was formed in 1965 to represent the interests of the London Boroughs and City of London.

¹⁵⁹ *HG*, 3 August 1971, p. 3.

¹⁶⁰ *Ibid.*

¹⁶¹ LBH, Agenda of Council Meeting, 22 December 1971, Report of Policy Committee, 8 December, p. 489.

of local democracy.¹⁶² When Southwark Labour councillors eventually came round to debating the legislation publicly, they spelled out their complaint as follows:

Despite the Government's recent statements that there should be a lessening of governmental control over the exercise by local authorities of their statutory functions, the bill removes the right which local authorities have always previously enjoyed to determine their own housing policies and, therefore, the rents of their dwellings.¹⁶³

On this theme, Millie Miller, leader of Camden council, posed a rhetorical question: "What is the point of people electing us to represent them when the Government now takes away our freedom in an area of vital concern?"¹⁶⁴

As to the objection that rents would rise substantially, this was considered to be particularly unfair to tenants at a time that the government was taking action over wage increases to combat inflation.¹⁶⁵ There was a widely held view that rents would in time double. A consequence of steeply rising rents would be that a council's housing revenue account was likely to show a profit, whereas previously the only requirement of a local authority was to balance the account. Camden Labour group argued that raising the level of council rents would result in more tenants requiring a rebate, so a large number would be subjected to a means test.¹⁶⁶ The group complained that the government's new policy failed to address its inhabitants' real needs in that it did not 'recognise that housing [was] a social service and [would] be socially unjust and divisive in its effect.'¹⁶⁷ The Labour group objected to charging 'fair rents' because, since their introduction into the private sector, rents had risen above what the Labour group considered reasonable; so council tenants would be driven out of London.¹⁶⁸ As Corin Hughes-Stanton, Camden's housing chairman, put it, the legislation amounted to "a blow to everything we have been trying to achieve in Camden".¹⁶⁹ Labour councillors in Islington and Lambeth, where Conservative administrations had raised rents substantially over the previous three years, were concerned that the new increases would create anomalies. It was calculated that half of Lambeth's council tenancies were

¹⁶² LBI, Agenda of Council Meeting, 4 January 1972, Report of Policy Committee, 14 December 1971, p. 209; Minutes of Council Meeting, 4 January 1972, p. 217.

¹⁶³ LBS, Minutes of Council Meeting, 5 January 1972, p. 311.

¹⁶⁴ *HHE*, 11 February 1972, pp. 1 and 30.

¹⁶⁵ LBG, Agenda of Council Meeting, 13 October 1971, Report of Management Committee, 30 September, p. 177 (Doc. 204).

¹⁶⁶ LBC, Council Minutes, 30 September 1971, p. 511b, Report of Housing Committee, 23 September 1971.

¹⁶⁷ LBC, Agenda of Council Meeting, 9 February 1972, p. 162, Report of Housing Committee, 31 January; Minutes of Council Meeting, 9 February, p. 180.

¹⁶⁸ LBC, Agenda of Council Meeting, 9 February 1972, p. 158, Report of Housing Committee, 31 January.

¹⁶⁹ *HHE*, 11 February 1972, pp. 1 and 30.

already at the level of 'fair rents' and the same applied in Islington.¹⁷⁰ Both Greenwich and Islington councils pointed out the anomaly of reducing subsidies for council tenants, while retaining them for house-purchasers in the form of tax relief on mortgage interest payments.¹⁷¹

The newly elected Labour administrations in Islington and Lambeth cancelled the rent increases which the Conservatives had planned while in office. In Islington, an increase of 50 pence was due in October 1971, under arrangements to raise rents annually until they reached the level of 'fair rents'.¹⁷² Although the Labour group attributed its decision to rescind the increase to the proposals in the White Paper,¹⁷³ Pat Haynes, who was a Labour councillor at the time, suggested that they would have done so anyway.¹⁷⁴ In Lambeth a rent increase of 37.5 pence had been due on most of its housing on 1 December 1971.¹⁷⁵ When the freeze on rents was mooted, John Major, the previous housing chairman, was critical of the Labour council's decision as being made for 'political gain', as he put it.¹⁷⁶ The new chairman, Ewan Carr, pointed out that there had been rent increases each year for three years, which the committee felt was harsh on tenants.

Brent and Greenwich councils arranged public meetings to explain the government proposals and publicise the council's attitude to them.¹⁷⁷ Even before Brent council had debated the details of the White Paper, it had held meetings with representatives of tenant associations and, from mid-November, directly with tenants. Representing the council were two members of the Labour leadership and a councillor from the Conservative group. At the first open meeting, the chairman attacked the rent rises required by the Bill, yet he declared that because of the compulsory nature of the Bill the council would implement it if passed; otherwise the members could be fined or imprisoned.¹⁷⁸ Greenwich issued a leaflet explaining what the policy changes meant for

¹⁷⁰ LBL, Agenda of Council Meeting, 20 October 1971, Report of Housing Committee, 27 September, pp. 211–13 and 219; Minutes of Council Meeting, 20 October 1971, pp. 26–6; *IG*, 22 June 1971, p. 1.

¹⁷¹ LBG, Agenda of Council Meeting, 13 October 1971, Report of Management Committee, 30 September, p. 177; Minutes of Council Meeting, 13 October 1971, p. 197 [Council Minutes, Docs 204 and 205]; LBI, Agenda of Council Meeting, 4 January 1972, Report of Policy Committee, 14 December 1971, p. 209.

¹⁷² LBI, Agenda of Council Meeting, 29 July 1971, Report of Policy Committee, 15 July, p. 110–11.

¹⁷³ LBI, Agenda of Council Meeting, 29 July 1971, Report of Policy Committee, 15 July, p. 110–11; Council Minutes, 29 July 1971, p. 120.

¹⁷⁴ Pat Haynes, *An Islington Councillor 1971–1992* (London: Pat Haynes, 1994) pp. 7–8; for debate: *HG*, 3 August, 1971, p. 1.

¹⁷⁵ LBL, Agenda of Council Meeting, 20 October 1971, Report of Housing Committee, 27 September, pp. 210–11; Minutes of Council Meeting, 20 October 1971, pp. 265–6.

¹⁷⁶ *SLP*, 9 September 1971, p. 2.

¹⁷⁷ LBB, Agenda of Council Meeting, 11 October 1971, Report of Housing Committee, 13 September, p. 165.

¹⁷⁸ *WBC*, 19 November 1971, p. 3.

the council, including the penal sanctions available to the government if councillors failed to impose the rent increases. A dozen public meetings followed in various locations over a month in early 1972, starting with a town meeting.¹⁷⁹ A reason given for the meetings was ‘to gauge the measure of public support for any action which the Council might deem necessary to protect the interests of the people of the Borough.’¹⁸⁰ The Greenwich leadership only allowed the Conservatives to be represented at the public meetings after being lobbied by them.¹⁸¹

Three boroughs – Brent, Islington and Southwark – asked Peter Walker or his under-secretary, Paul Channon, to receive a deputation from the council, but were turned down. Whitehall told Islington in reply, ‘it would not be appropriate for deputations to be received by Ministers from individual local authorities’ because the White Paper had been approved by the House of Commons and the Bill had reached the committee stage.¹⁸² This seems to have been a standard response.¹⁸³

The manner in which the London boroughs approached the White Paper and early stages of the Bill is in contrast to the aggressive reaction of Clay Cross council (of which councillors at a distance from Derbyshire were unlikely to be aware at this early stage). At a council meeting in September, a long-serving member, Dennis Skinner, the new MP for Bolsover, made a scathing attack on the new government policy and shortly after, the council wrote to Julian Amery, the minister of housing and construction, declaring that it would refuse to operate the proposals in the White Paper.¹⁸⁴ Even before the Bill was published, the full council unanimously endorsed this defiant approach and, ambitiously for a tiny local authority, called upon ‘all other Labour controlled councils to do likewise’.¹⁸⁵ Whereas Clay Cross council was ruled by a hard-left group, there were boroughs in London under the control of councillors at the other end of the Labour spectrum, and which might have been expected to be more moderate in their opposition.

¹⁷⁹ LBG, Agenda of Council Meeting, 22 December 1971, p. 247, Report of Housing Committee, 25 November 1971 (Doc. 241); *KI*, 13 January 1972, p. 7.

¹⁸⁰ LBG, Information Service to Members, no. 197, 11 January, 1972, marked ‘confidential’ (Doc. 250).

¹⁸¹ LBG, Minutes of Council Meeting, 22 December, 1971, p. 315 (Doc. 240).

¹⁸² LBI, Agenda of Council Meeting, 15 February 1972, Report of Policy Committee, Appendix “P”, copy of letter from DoE dated 28 January 1972.

¹⁸³ *WBC*, 28 January 1972, p. 18.

¹⁸⁴ David Skinner and Julia Langdon, *The Story of Clay Cross* (Nottingham: Spokesman Books, 1974) pp. 35–6. As an MP, Dennis Skinner received sponsorship from the National Union of Mineworkers and fully supported them over the strike of 1972 including the ‘Battle of Saltley’. He was a brother of David, the leading protagonist in the Clay Cross rents saga.

¹⁸⁵ Derbyshire Record Office, Minutes of Clay Cross Urban District Council, 1 November 1971, p. 119; Skinner and Langdon, *The Story of Clay Cross*, p. 36.

Compliant strategies

Some local Labour politicians recognised that there were attractive features in the change in policy on slum clearance subsidies, rent rebates and allowances. For some time when the legislation was under discussion, Lambeth's Ken Livingstone was said to be of this view – privately at least – and he accepted that the law would have to be obeyed in the end. Later he was persuaded otherwise by the more doctrinaire Ted Knight.¹⁸⁶ Livingstone has since conceded that the legislation 'introduced a breathtakingly generous system of housing subsidies to support programmes in those areas with the most acute problems.'¹⁸⁷ It is less surprising that the Old Guard leadership in Newham was resigned to accepting the proposals.

Even before the Bill was published, there were strong indications in Newham that the Labour group accepted the inevitability of the main proposals in the White Paper. This became apparent from a report by the *Newham Recorder's* alert political reporter, Bernard Josephs, who divulged that, although the Labour administration was critical of the government proposals, he understood that it was certain that the higher rents legislation would be passed. There was some acknowledgement that certain aspects of the White Paper would be advantageous to the borough because the proposed subsidy arrangements would help fund the council's large slum clearance and housing development programme.¹⁸⁸ Unfortunately, Josephs' report purported to be based on a confidential policy committee meeting on 29 September, which had not taken place.¹⁸⁹ The edition of the newspaper containing the report, dated 30 September, went on sale a day early, enabling the Labour leadership both to contest its veracity and postpone the policy committee meeting until the following week.¹⁹⁰ But despite Josephs' blunder about a non-existent meeting, he appears to have been correct in reporting what influential members of the Labour group had told him. The deputy leader, Alderman Jack Hart, declared that "the rents were bound to go up" and other (unnamed) councillors found merit in the government's rent rebate scheme and slum clearance

¹⁸⁶ John Carvel, *Citizen Ken* (London: Chatto & Windus, 1984) p. 43; Andrew Hosken, *Ken: The Ups and Downs of Ken Livingstone* (London: Arcadia Books, 2008) p. 23.

¹⁸⁷ Ken Livingstone, *If Voting Changed Anything, They'd Abolish It* (London: Collins, 1987) p. 26.

¹⁸⁸ NR, 30 September 1971, p. 1.

¹⁸⁹ Ibid.

¹⁹⁰ LBN, Agenda of Council Meeting, 12 October 1971, Report of P and R Committee, 7 October, p. 185. Newham Council made a complaint to the Press Council about the report, which was eventually upheld, NR, 17 February 1972, p. 40.

subsidies.¹⁹¹ In October, the full council asked the housing committee ‘to give consideration as soon as possible to the determination of ‘fair rents’ for Council dwellings.’¹⁹² It also approved an officers’ report which allowed for the impact of the government’s legislation to be taken into account when preparing the council’s financial estimates.

The Newham leadership was consistent in pursuing a compliant strategy over the Bill. There is no doubt that the borough would benefit considerably from the proposed changes to the subsidy regime in view of its ambitious slum clearance programme. The officers’ financial estimates for housing showed that the combination of government subsidies and higher rents would halve the council’s housing deficit of £2 million.¹⁹³ About this time, Paul Channon appointed Bill Watts, who was both a GLC and a Newham council member, to serve on a working party to oversee London’s housing programme.¹⁹⁴ The appointment may indicate that the Department of the Environment (DoE) had previously found Newham a borough with which it could cooperate; now, with Watts more closely involved in the execution of Whitehall’s policy, he was more likely to be a safe pair of hands over housing issues. Bill Watts consistently advocated using constitutional methods concerning the new legislation. He argued that only by taking control of ‘fair rents’ could the council ensure they were assessed at a modest level.¹⁹⁵ When some Labour constituency workers and councillors supported calls from tenant organisations for a campaign of civil disobedience and a rent strike, Watts vehemently opposed such action.¹⁹⁶ His stand was supported by a close associate, Reg Prentice, the right-wing Labour MP for Newham North-East.¹⁹⁷

In Brent, the leadership’s strategy was less clear-cut than in Newham, but the council there never appeared likely to act other than in a constitutional manner even though the housing chairman, James Goudie, promised to “fight this iniquitous policy tooth and nail.”¹⁹⁸ The finance director had previously explained to councillors that ‘fair rents’ were being introduced for council tenancies, so that “disparities between rents applied by different local authorities will not depend in any way on the state of the

¹⁹¹ NR, 30 September 1971, p. 1.

¹⁹² LBN, Agenda of Council Meeting, 12 October 1971, Report of P and R Committee, 7 October, p. 185; Minutes of Council Meeting, p. 189.

¹⁹³ NR, 9 December 1971, p. 3.

¹⁹⁴ NR, 18 November 1971, p. 12.

¹⁹⁵ NR, 2 March 1972, p. 11.

¹⁹⁶ NR, 16 December 1971, p. 3; 2 March 1972, p. 11.

¹⁹⁷ NR, 10 February, 1972, p. 3. A few years later, Reg Prentice was to be deselected by his constituency party and defected to the Conservatives.

¹⁹⁸ WBC, 14 January 1972, p. 3.

housing revenue account.”¹⁹⁹ The housing committee decided that it would do little more than reaffirm its opposition to the legislation and delay a review of its policy until the committee met for the last time in the current municipal year; in practice this meant before the council’s annual meeting in mid-May. The committee nevertheless authorised the officers to do preparatory work on the assessment of ‘fair rents’ and the full council did not demur.²⁰⁰ Although it soon became clear that it was sticking to Phil Hartley’s early pledge not to increase rents until they became law, it was implied that these would be introduced in October.²⁰¹

Despite a tendency towards conformity among the Labour leadership, a fault line was beginning to appear between the vast majority of Labour councillors, who held to the view that opposition to the Bill should be expressed through conventional means, and a few in the ranks who believed that the extreme shift in housing policy called for an exceptional response. This might even justify a refusal to implement the Bill when enacted.

Calls for robust resistance amidst uncertainty

There were indications that some Labour councillors would refuse to acquiesce in a conventional approach to the business of opposition. In Camden they explored the possibility of finding a loophole in the proposals for raising the rents by a pound in the first year.²⁰² By November 1971 it was apparent that a few members of Greenwich Labour group favoured the adoption of a policy of defiance. At a tenants’ association meeting, which wanted the council to refuse to implement the legislation to set ‘fair rents’, a Labour councillor present mentioned that there were divergent views within the group, although he personally believed that implementation was unavoidable.²⁰³ It was clear that the leadership was prevaricating over the best policy to adopt. In the early days of the debate among Labour politicians, John Cartwright, the council leader, explained the quandary they were facing. He pointed out that it was hardly possible for the council to do nothing in response to legislation which would take away all its powers, though he was more concerned about the government’s ability to appoint a housing commissioner to run the housing service if Greenwich refused to cooperate. He

¹⁹⁹ *WBC*, 10 December 1971, p. 1.

²⁰⁰ LBB, Agenda of Council Meeting, 16 February 1972, Report of Housing Committee, 27 January, pp. 534–7; Minutes of Council Meeting, 16 February 1972, p. 578.

²⁰¹ *WBC*, 10 March 1972, p. 3.

²⁰² As related in Chapter Five.

²⁰³ *SELKM*, 25 November 1971, p. 8.

summed up the quandary by saying: “We have to make a very hard decision whether to reject all the proposals or try to soften the scheme by operating it ourselves.”²⁰⁴ This was the choice facing other authorities agonising over strategy.

At the town meeting in mid-January, John Cartwright would not be drawn on whether the council would implement. Like the leadership in Brent, he played for time by telling the press that as the first rent increase was not due until October there was no urgency over a decision, but that one would be made after the series of public meetings.²⁰⁵ Nevertheless, the Greenwich leadership did not make their position clearer when all of these meetings had been held. They appeared to be waiting for decisions to be made at Labour’s London-wide forum.

The idea of defying the government had begun to be debated in isolated instances. Ken Livingstone, who was extremely active for a new councillor, raised this as a possibility when an organisation known as the Association of London Housing Estates sought Lambeth council’s support in fighting the legislation. It wanted the council to pledge that it would refuse to implement the Bill.²⁰⁶ Although the possibility of defiance was discussed at a full session of the council in December, no formal proposal was put forward advocating unilateral action.²⁰⁷ Instead, Lambeth followed a suggestion by Livingstone that the London housing committee chairs should meet to discuss ‘possible future moves’.²⁰⁸ Early in 1972 Lambeth’s constituency Labour parties also called upon the council to refuse to implement the Bill. There were indications of growing support for defiance among the Labour group, including comments from the vocal Tony Banks.²⁰⁹ But at this stage it was divided on the issue, with Mike Petrou, the deputy leader, and Ken Livingstone supporting a hard line. Nevertheless, the moderate chairman of finance warned against “leading council tenants up the garden path” by making promises that would later to be broken.²¹⁰ He argued that if their intention was to implement they should say so. His plea was only partially heeded in that before Labour’s Greater London Regional Council met in March, the Lambeth group decided that they favoured acting in collaboration with other London boroughs. As Mike Petrou put it, “We shall only refuse to implement the increases due in October if there is a

²⁰⁴ *SELKM*, 2 December 1971, p. 1.

²⁰⁵ *KI*, 20 January 1972, p. 16.

²⁰⁶ *LBL*, Minutes of Council Meeting, 8 December 1971, pp. 372–4.

²⁰⁷ *SLP*, 10 December 1971, p. 1.

²⁰⁸ *LBL*, Minutes of Council Meeting, 8 December 1971, p. 373.

²⁰⁹ *SLP*, 11 January 1972, p. 1; 1 February 1972, p. 1.

²¹⁰ *SLP*, 11 February 1972, p. 1. Tim Sparrow was chairman of the finance committee.

concerted move by the whole Labour movement. Lambeth cannot fight the government proposals alone.”²¹¹ This conditional approach to defiance was to be followed elsewhere.

None of the eight councils put up their rents by 50 pence in April 1972 as recommended in the White Paper. Newham and Southwark had already done so in October 1971, which in the Bill counted as ‘the second half of 1971–72’ and was treated as if it had been in 1972; so they were only required to increase rents by 50 pence in October 1972.²¹² Elsewhere, Conservative councillors pointed out that a failure to raise rents in two stages was disadvantageous to tenants because it would mean a large increase in October. In Islington, where a rent increase had been cancelled in October 1971, the council officers went so far as to advise the council to exercise the option of imposing the rent increase of 50 pence from April 1972 in preference to the higher increase in October as this would be advantageous to tenants.²¹³ Needless to say, Labour councillors rejected this advice, to the annoyance of the opposition.²¹⁴ Islington put on record that it ‘resents the Government’s attempts at financial coercion on local authorities to put up rents before the Housing Bill [became] an Act of Parliament.’²¹⁵ In Greenwich, when the leader of the Conservatives, Alderman Ian Davison, proffered the two-stage argument, the council leader, John Cartwright, pointed out that the legislation was not yet law and that, until it was enacted, the council would not introduce any part of it.²¹⁶

To varying degrees, tenant organisations were active in urging Labour councillors to fight the government over the rent rises: at crucial debates in council chambers they played the role of a rowdy Greek chorus, which on several occasions provoked presiding mayors to have them evicted from the public gallery. This tenant activism, later extended to some short-lived rent strikes, was part of a national campaign.²¹⁷

²¹¹ *SLP*, 22 February 1972, p. 1.

²¹² Housing Finance Bill, Part VI, clause 64. In Southwark, the increase in October 1971 was 44 pence: see LBS, Agenda of Special Council Meeting, 30 August 1972, p. 135 and Doc. C.9/72–73.

²¹³ *IG*, 14 December 1971, p. 1.

²¹⁴ *IG*, 17 December 1971, p. 24; 7 January 1972, p. 1.

²¹⁵ LBI, Agenda of Council Meeting, 4 January 1972, Report of Policy Committee, 14 December 1971, p. 210; Minutes of Council Meeting, 4 January 1972, p. 217.

²¹⁶ *SELKM*, 30 December 1971, p. 18.

²¹⁷ Alison Ravetz, *Council Housing and Culture: The History of a Social Experiment* (London: Routledge, 2001) p. 152.

Southwark council, which during this period acquired a reputation for being somewhat secretive in the way it conducted its business, appears to have been in no hurry to discuss publicly the government's new proposals. There is no record of a debate on the White Paper at either committee or full council level. This may have been because the leadership wanted to play down the matter in view of their own rent increase (October 1971) which was a sensitive issue with tenants. Nevertheless, a representative from the tenants' association of the large Aylesbury Estate, the communist Doug Marks, was highly critical of the council and arranged protests at council meetings. The demonstrators were annoyed that the council did not freeze the increases in view of the government policy – the line adopted in Islington. They also accused Labour members of sitting on the fence instead of coming out against the proposals in the White Paper.²¹⁸ Elsewhere, some Labour politicians looked to their tenants to provide a lead in fighting the government. For instance, councillors in Brent were in favour of a 'massive campaign' against the government proposals to force it to back down.²¹⁹

Thus it can be seen that two themes emerged from the many hostile reactions around the boroughs to the government proposals: the unsuitability of 'fair rents' for council lettings and the loss of autonomy in decision-making. Yet the criticisms of the government scheme were largely couched in terms compatible with the established legal position of local authorities. It would seem that there was a tacit acknowledgement that authorities would have to accept what they feared was inevitable, and some indicated that they would comply with the legislation. The activities undertaken tended to be low-key and conformed to the advice given by Labour's NEC: holding dialogues with tenants, requesting meetings with government ministers and cancelling rent increases. Despite calls for council leaders to adopt a tough stance in opposing the legislation, most were in something of a quandary over what was perceived to be a choice between a total rejection of the government scheme and implementing it in attempt to lessen the impact.

Yet the early 1970s was a period when the trade union wing of the labour movement was engaged in some bitter struggles with the Heath Government and there was no doubt about growing support by various tenant organisations for a militant

²¹⁸ *SLP*, 1 October 1971, p. 12, letter from D. Marks; 3 December 1971, p. 21; *SELKM*, 4 November 1971, p. 9.

²¹⁹ *WBC*, 27 August 1971, p. 1.

response to the legislation. The most likely way for Labour authorities to make an impact on the government was to arrange some form of concerted action. The next section of this chapter explains how moves in this direction played out in the spring of 1972 and how two Labour groups were prepared to make defiant announcements before the outcome of London-wide collaboration was known.

3.2: AUTHORITIES ATTEMPT TO COLLABORATE

The idea of Labour councils collaborating to fight government plans was unusual, but arose from the mood of militancy within the labour movement in its opposition to the Heath Government. Symptomatic of this was the 1972 national miners' strike, the first for almost 50 years, which began on 9 January. After a month, the government declared a state of emergency with a three-day week, and by the end of February, the Heath Government conceded every demand made by the National Union of Mineworkers. Some Labour councillors in London, not least those with trade union connections, began to see solidarity between like-minded councils as the way to fight the government over the changes in housing legislation.

During the early months of 1972, attempts were made by the boroughs to liaise at meetings of Labour's Greater London Regional Council on strategies of opposition as well as information-sharing. But any plan to work together to force the government into a retreat would be entering uncharted territory, as the long-established mode of responding to new legislation was through the all-party local authority associations. These could be effective, as Richard Crossman recognised some time earlier when he commented in a Labour Party guide to British government that 'if the Local Authorities are united on any issue they can form a formidable opposition to the Government'.²²⁰ The national forum was the Association of Municipal Corporations (AMC).²²¹ But all the while, calls for radical action were growing, especially in Camden and Greenwich.

Little achieved at gatherings in March

There was a major impediment to Labour councils persuading the AMC to adopt a tough stand against the Heath Government: the fact that Conservative authorities would dominate the Association at least until the next local elections, which outside London

²²⁰ R. H. S. Crossman, *How Britain is Governed* (London: Labour Book Service, n.d.).

²²¹ The AMC existed between 1873 and 1974 when it was succeeded by the Association of Metropolitan Authorities, or AMA: www.archiveshub.ac.uk accessed on 28 September 2013.

were scheduled for May 1972. Even so, Labour-controlled Hammersmith council, with support from Hackney, Newham and Southwark, was instrumental in persuading the AMC to hold a conference on the new legislation.²²² The leader of Camden Council, Millie Miller, wanted the conference to demand that the government withdraw the Bill completely, but, as might be expected, her proposal was voted down by Conservative representatives.²²³ The outcome was that the AMC asked the government to modify the Bill, especially to allow greater flexibility over the dates for phased rent increases.²²⁴

A forum within the Labour fold was likely to be more receptive to a confrontational approach than the AMC. The Annual Conference of Labour's Greater London Regional Council was held on 5 March 1972, and there were calls for authorities to resist the introduction of 'fair rents'.²²⁵ Ken Livingstone, who attended, made the case for united action by arguing that a thousand London councillors would be unstoppable. He warned: "If Labour councils did not unite to oppose the Tory Bill we would all be humiliated in front of the people who voted for us."²²⁶ His approach was reflected in a motion which was passed urging councils to defy the government over implementation.²²⁷ It was arranged that there would be a special meeting on 25 March to discuss the Bill; all London councillors were invited to attend and about a thousand were expected to do so. Events appeared to be moving in favour of greater solidarity.

In Newham the premature decision by the council's leadership to put government legislation into effect rankled with a growing number of members of the Labour group. By early March, the well-informed Bernard Josephs of the *Newham Recorder* estimated that the split in the Labour group was 45 to 15 in favour of implementing 'fair rents'.²²⁸ One councillor came out openly by challenging the leadership's strategy, arguing that the legislation could have been halted by the combined action of London Labour councils.²²⁹ Bill Watts acknowledged that the strong

²²² LBH, Agenda of Council Meeting, 22 December 1971, Report of Policy Committee, 8 December, p. 489; Agenda of Council Meeting, 22 March 1972, Report of Policy Committee, 8 March, pp. 676–8; LBN, Agenda of Council Meeting, 18 January 1972, Report of Town Planning and Housing Committee, 13 December, p. 268; Agenda of Council Meeting 29 February 1972, Report of TP and H Committee, 31 January, p. 315.

²²³ LGC, 10 March 1972, p. 409, 'AMC motion.' The decision was reversed after Labour took control of the Association in May 1972 [LGC, 28 July 1972, p. 1268, 'AMC wants Housing Bill withdrawn].

²²⁴ LBN, Agenda of Council Meeting, 18 April 1972, Report of Town Planning and Housing Committee, 13 March 1971, p. 382.

²²⁵ NR, 9 March 1972, p. 47.

²²⁶ SLP, 10 March 1972, p. 8.

²²⁷ CJ, 10 March 1972, p. 28.

²²⁸ NR, 9 March 1972, p. 14.

²²⁹ NR, 23 March 1972, p. 4. The councillor was George Phillips.

feelings in favour of resisting the government at the regional council would have to be taken seriously, but coolly added:

I don't envisage that there will be any big changes in policy. This matter has already been well discussed and we would gain nothing and lose a lot if we just defied the law. It would mean losing control of slum clearance, council house building and rent assessing.²³⁰

Newham had recently designated no fewer than 34 areas for slum clearance.²³¹ Watts was probably biding his time until the Greater London Regional Council's next meeting which was devoted to debating the Bill, when a large number of borough representatives would be involved.

In Greenwich, John Cartwright was also waiting to see what happened at this major meeting as he was reluctant to take an independent line.²³² His caution was reflected in the prudent approach of the council to preparing the annual estimates for the coming year, as the figures assumed that the legislation would be implemented. Nonetheless, Cartwright told the meeting which approved the estimates: "The Bill may not be applied by us."²³³ This was no doubt influenced by the hardening attitude within the Labour group and he has since explained that he aimed to avoid a "damaging split" within the group.²³⁴ The *Kentish Independent* carried a revealing report that the vast majority of Labour members had made it clear at a group meeting on 6 March that they were 'adamant' that they would refuse to operate the Bill. Accordingly, preparations were made on 'a plan of action to veto the Bill' which was the subject of a special council meeting on 29 March, a few days after the London borough councillors' gathering at the Regional Council. The *Kentish Independent* predicted that Greenwich would be the first council in London to defy the government, on the basis of its information that Camden, Lambeth and Wandsworth were only prepared to defy the government if other councils did likewise. The leader of the Conservatives on Greenwich council, Ian Davison, warned that, not only would the borough risk losing additional subsidies, but that implementation would also be taken out of its hands. Accordingly, he complained that "This is one of the most short-sighted examples of intrusion of pettifogging politics into local government that I have ever heard of."²³⁵

²³⁰ NR, 9 March 1972, p. 47.

²³¹ LBN, Agenda of Council Meeting, 29 February 1972, Report of P and R Committee, 16 February, p. 334; Minutes of Council Meeting, 29 February 1972, p. 347.

²³² SELKM, 9 March 1971, p. 20.

²³³ SELKM, 9 March 1971, p. 1.

²³⁴ Email from John Cartwright to the author, 31 March 2011.

²³⁵ KI, 9 March 1972, p. 22.

Two of the local constituency MPs, Guy Barnett and Bill Hamling, sent a telegram to John Cartwright congratulating the group for their ‘courageous opposition’ to the Bill, but Christopher Mayhew, the right-wing Labour MP for Woolwich East, was not party to this support.²³⁶ On 17 March the Labour group in Camden approved a similar resolution not to implement the rent rises and this was ratified at a full council meeting five days later.²³⁷

Southwark’s John O’Grady – like many other council leaders – appears to have been waiting for the meeting of the Regional Council on 25 March before firming up his policy.²³⁸ Meanwhile, his group played safe by setting the rate for 1972–3 on the assumption that the borough would operate the legislation.²³⁹ In neighbouring Lambeth, the Labour group decided on an opposite course of action by ignoring rent increases when agreeing its budget for the forthcoming year.²⁴⁰ Nevertheless, Lambeth agreed to take on additional staff to handle the rent allowances for private tenants under the Bill, because it would take three months to recruit them.²⁴¹

The London Regional Council Meeting on 25 March, which was held to debate whether or not the boroughs should implement the Bill, was attended by some 900 councillors from the 21 Labour-controlled boroughs.²⁴² It was chaired by Bob Mellish, the Bermondsey MP, who was chairman of the Greater London Labour Party.²⁴³ He was one of the main parliamentary spokesmen against the Bill, but declared that he had no intention of dictating to the council groups what strategy to adopt. Nonetheless, he was concerned that the boroughs should endeavour to work together, saying, “We must have a united front. Councils in London cannot afford to be divided on this issue.”²⁴⁴

To assess whether there was common ground, Mellish sought to identify boroughs with similar approaches, essentially whether to comply with or defy the government. Of the 21 Labour-controlled boroughs, nine groups indicated that they would refuse to implement, eight were undecided, including Islington, and four declared

²³⁶ *KI*, 16 March 1972, p. 1. Mayhew was MP for the constituency from 1951 to 1974, before defecting to the Liberal Party. His successor as MP was John Cartwright, who also defected, but to the SDP in 1981.

²³⁷ *HHE*, 24 March 1972; *LBC*, Minutes of Council Meeting, 22 March 1972, p. 251.

²³⁸ *SELKM*, 9 March 1972, p. 20.

²³⁹ *SELKM*, 23 March 1972, p. 3.

²⁴⁰ *LBL*, Minutes of Council Meeting, 22 March 1972, p. 549.

²⁴¹ *SLP*, 28 March 1972, p. 3; 7 April 1972, p. 1.

²⁴² *Labour Weekly*, 31 March 1972, p. 12.

²⁴³ As discussed in Chapter Two.

²⁴⁴ *SLP*, 14 April 1972, p. 10.

that they would implement the Bill, including Newham.²⁴⁵ But five of the nine ‘rebel’ councils, including Brent and Lambeth, stipulated that a final decision would have to await the outcome of decisions by all the other London Labour councils. So representatives of only four boroughs were at this stage saying categorically that they would not operate the Bill: Camden, Greenwich, Hackney and Waltham Forest.²⁴⁶ Mellish put Southwark in the group which would not make a firm decision before they knew what line the others were taking. As his constituency was in the borough, and he was politically close to the Southwark leadership, he was probably accurate in this assessment. But *Labour Weekly*, which at the time was strongly in favour of the campaign of defiance, excluded Southwark from this category; the local press recorded an observer saying that it appeared that the Southwark councillors had already made up their minds, implying that they would accept the Bill.²⁴⁷ There was uncertainty over Hackney’s commitment, although observers gained the impression that the group there would take a hard line, probably arising from a statement made by the Party agent John Kotz that Hackney would refuse to implement.²⁴⁸

The picture that emerged at the London-wide gathering meant that by the end of March, there was little indication of imminent agreement to militant action between the London boroughs. Over half of the Labour groups were either undecided over what course of action to take or were waiting to see what others would do. The time was approaching when Leslie Sklair thought that Camden should have taken a lead in organising a national campaign to engage in a political fight with the government.²⁴⁹ There was certainly time to do so had the leadership been so inclined. But Camden had not yet adopted a strategy of defiance.

The emergence of ‘reluctant revolutionaries’ while others wavered

By the end of March 1972 Labour leaderships were coming under increasing pressure within their groups to adopt a hard line over the new legislation as the campaign by tenant organisations gathered steam. Some constituency parties, won over to this position, were also unhappy with groups adhering to a compliant approach. In this vein, Brent East Labour Party urged the council ‘to refuse to implement’ the rents

²⁴⁵ *Labour Weekly*, 31 March 1972, p. 12; *SLP*, 7 April 1972, p. 5.

²⁴⁶ *Labour Weekly*, 24 March 1972, p. 12; 31 March 1972, p. 12.

²⁴⁷ *SELKM*, 29 March 1972, p. 1; *Labour Weekly*, 31 March 1972, p. 12.

²⁴⁸ LBH, Minutes of Council Meeting, 26 April 1972, p. 768, question by Alderman H. J. Lobenstein.

²⁴⁹ Leslie Sklair, ‘The Struggle Against the Housing Finance Act’, *The Socialist Register 1975* (London: 1975) p. 257. See Introduction to this thesis.

legislation.²⁵⁰ But such radical action seems never to have been seriously contemplated by the leadership. On 31 March the *Willesden and Brent Chronicle* published a supplement to commemorate the seventh anniversary of the London Borough of Brent; it contained an article on housing by James Goudie. He considered the impact of the Bill to be sufficiently serious to warrant a section devoted to it.²⁵¹ Like other Labour publicity, it laid the blame for the rent increases at the government's door in anticipation that the legislation would be implemented. But in some other boroughs there were indications that Labour would be less compliant.

At a protest meeting at the House of Commons attended by tenant organisations, Hackney's maverick left-winger Gerry Ross repeated the line taken by his colleague John Kotz that the Labour group had decided not to raise rents.²⁵² At the following full session of the council, Gerry Ross sponsored a deputation from Hackney United Tenants' Association, urging the councillors not to surrender. Labour councillors expressed their detestation of the Bill, with an effusive Lou Sherman calling it, somewhat clumsily, "The illegitimate offspring of an unhappy marriage between political dogma and greed, dedicated to the proposition that all Council tenants are villains and rogues, and conceived in hate."²⁵³ But the leadership were careful to avoid going so far as to commit themselves to defying the government; they simply told the deputation that they sympathised with their views. On two other items that evening they declined to take a hard line. One was a response to a letter from Halstead Urban District Council in Essex inviting other local authorities to support it by refusing to implement the Bill.²⁵⁴ Instead, Hackney decided to inform Halstead that it would 'support representatives asking the Government to withdraw the Bill' which indicated that it was taking a constitutional line.²⁵⁵

The other moderate response was elicited by a pertinent question from the Conservative leader Joe Lobenstein, who was seeking clarification of the recent militant pronouncements by John Kotz and Gerry Ross. The answer given by the leader, Alderman Martin Ottolangui, implied a different interpretation of the Labour group's

²⁵⁰ *WBC*, 31 March 1972, p. 1.

²⁵¹ *WBC*, 31 March 1972, supplement: 'The Success of Brent', p. 12. Goudie, a lawyer by profession, was to provide a commentary on the operation of the legislation: James Goudie, *Councils and the Housing Finance Act*, Young Fabian Pamphlet 31 (London: Fabian Society, October 1972).

²⁵² *HG*, 30 March 1972, p. 1.

²⁵³ *HG*, 28 April 1972, pp. 1 and 11.

²⁵⁴ The role of Halstead in attempting to persuade Labour councils to fight the Bill is explained in Sklair, 'The Struggle Against the Housing Finance Act'.

²⁵⁵ LBH, Agenda of Council Meeting, 26 April 1972, Report of Policy Committee, p. 759; Agenda of Council Meeting, 26 April 1972, pp. 770–1; *HG*, 28 April 1972, pp. 1 and 11.

position because he did not endorse what they had said. As far as Ottolanguai was concerned, the group was sympathetic towards the views that the two councillors had expressed, but no final decision had been made. When specifically asked about the possibility of civil disobedience, Ottolanguai replied somewhat vaguely, “it is not contemplated to involve this Council in any action which would be tantamount to civil disobedience but if we ever feel it is necessary for the protection of the community to indulge in civil disobedience we will do so.”²⁵⁶ Not only the official opposition, but tenant organisations also made it known that they were dissatisfied with this response.

Meanwhile, Greenwich Labour group had developed a confrontational strategy. Before the full council meeting on the issue, the housing and policy-making committees met to jointly adopt the policy formulated within the group. They considered advice from council officers on the implications for the council of refusing to implement, including the government’s powers against a defaulting authority. They concluded by making a recommendation to the full council that it should inform the Secretary of State that:

It considers the proposals in the Bill to be unfair, impractical and an unwarranted interference by Central Government into the affairs of local authorities. The Council therefore calls on the Government to withdraw the Bill and gives notice that it does not intend to discharge the responsibilities laid on it under Parts V and VI of the Bill.²⁵⁷

Great excitement was building up among tenant associations and ‘anti-fair rent’ campaigners as the vital council meeting approached. It was anticipated that hundreds of tenants and their supporters would converge on Woolwich Town Hall on the evening of the meeting, and so arrangements were made for them to hold their own event in the adjoining public hall. John Cartwright even announced that he would interrupt the council’s business to allow members to visit the tenants’ event to enable them to exchange views.²⁵⁸ The *Kentish Independent* anticipated that the evening could be ‘a historic and fateful occasion’.²⁵⁹

According to press reports, about 1000 people packed the public hall on the evening.²⁶⁰ The council meeting next door began at 7.00 p.m., and at 8.21 there was an

²⁵⁶ LBH, Minutes of Council Meeting, 26 April 1972, p. 768, question by Alderman H. J. Lobenstein.

²⁵⁷ LBG, Agenda of the Meeting of the Council, 29 March 1972, Report of the Joint Meeting of the Management and Housing Committees, 16 March (Doc. 298). Parts V and VI of the Bill introduced fair rents for council dwellings.

²⁵⁸ *KI*, 23 March 1972, p. 1.

²⁵⁹ *KI*, 29 March 1972, p. 1.

²⁶⁰ *KI*, 6 April 1972, p. 6; *SELKM*, 6 April 1972, p. 18.

adjournment for half an hour as planned, although the Conservatives had sought to prevent this unusual arrangement.²⁶¹ Labour councillors received a standing ovation as they entered the tenants' gathering. John Cartwright admitted that the council would have to raise rents, but the increases would be modest. As to the council's defiance, he was not confident about the outcome, adding 'If enough boroughs come with us, not only in London but in Britain, we may yet defeat this Bill.'²⁶² A veteran of local politics, who sat on the GLC, added a note of caution that it was only the start of the fight.²⁶³ The councillors received strong support from the tenants, and the *South East London Mercury* commented that for Cartwright 'it was a personal triumph and an indication of popular backing for his policy.'²⁶⁴ Such comment was premature because it seems doubtful that he had settled on any policy except preventing a serious split in the Labour ranks.

Back at the full council meeting, which lasted for four hours, Cartwright resumed in a cautious tone declaring, "We are reluctant revolutionaries. We would rather not be put in this position." But in expanding upon his group's collective attitude, he explained that the removal of the council's powers as a housing authority would relegate it to the position of the government's rent collector.²⁶⁵ The Conservatives asked an array of questions about the legality and implications of the Labour group's strategy and poured ridicule on the plans to defy the law.²⁶⁶ Ian Davison described the Labour motion as "absurd and despicable".²⁶⁷ From the Labour benches one dissident senior member spoke against the official party line, regretting that he could not support Labour's official motion and would be voting against it.²⁶⁸ He explained that if the council did not implement, it would mean misleading the tenants because the rent increases could not be avoided and tenants would fare worse under a housing commissioner.²⁶⁹

Towards the end of the evening, the time came for a division on the motion to tell the government that Greenwich would not be implementing the parts of the Bill

²⁶¹ LBG, Minutes of Council Meeting, 29 March 1972, pp. 439–41 (Doc. 299).

²⁶² *KI*, 6 April 1972, p. 6.

²⁶³ The GLC councillor was Peggy Middleton, who had served on both the LCC and the Metropolitan Borough of Greenwich from the mid-1950s; followed by LBG (until 1968) and the GLC. See: W. Eric Jackson, *Achievement: A Short History of the London County Council* (London: Longmans, 1965).

²⁶⁴ *SELKM*, 6 April 1972, p. 18.

²⁶⁵ *Ibid.*

²⁶⁶ LBG, Minutes of Council Meeting, 29 March 1972, pp. 439–46 (Doc. 299); *KI*, 6 April 1972, pp. 1 and 6; *SELKM*, 6 April 1972, p. 18.

²⁶⁷ *SELKM*, 6 April 1972, p. 18.

²⁶⁸ Derek Dean, who was chairman of the planning and development committee.

²⁶⁹ *KI*, 6 April 1972, p. 6.

relating to mandatory rent increases and ‘fair rents’. The result of the voting was 47 in favour and 13 against the motion. The Labour vote was split, with six of the group voting with the Conservatives and one abstention.²⁷⁰ *Labour Weekly* reported that Greenwich was the first London council to decide against implementation in public and, aware of the all-London meeting, anticipated that Camden, Hackney and Waltham Forest would soon follow.²⁷¹ Camden was shortly to adopt a similar motion, but the support it had within the group turned out to be more robust than in Greenwich. Hackney never passed a formal resolution to defy the government, whereas the Waltham Forest group reversed its decision to do so in early August.²⁷²

It is ironic that John Cartwright should be leader of a group which declared that it wanted the council to refuse to perform its duties under a mandatory enactment which had every prospect of being approved by Parliament. He was a politician who until the spring of 1972 was a model of Labour conformity, and indeed he remained so until defecting to the SDP nine years later. His aims appear to have been to act as a coordinator of diverse opinion within his group, to retain harmony within it and keep on good relations with the council’s tenants, who comprised a significant proportion of the electorate.

Meanwhile, elsewhere, except in Camden, leaders bided their time, waiting for others to make the running. Some had no doubt hoped for a more positive outcome from the meeting chaired by Bob Mellish at the end of March, rather than the variety of attitudes towards the new rent policy that had emerged. The high proportion of boroughs where the leaderships were prevaricating threatened to lead to deadlock in attempts to rally any sort of London rebellion against the Bill. Conforming to Labour’s view on local autonomy, Mellish correctly declined to direct borough representatives on the strategy that they should adopt. In all probability, being a parliamentarian, he was in favour of supporting moves to lobby the government to rethink the Bill. Deadlock may have suited the more conservatively inclined local politicians, personified by Newham’s Bill Watts, who believed that more could be gained from cooperating with central government. From this assessment of the situation in London, it would appear that Sklair’s criticism of Camden for failing to take up the initiative to lead a national campaign to oppose the Housing Finance Act was probably misplaced, even though

²⁷⁰ LBG, Minutes of Council Meeting, 29 March 1972, pp. 446–7 (Doc. 299).

²⁷¹ *Labour Weekly*, 31 March 1972, p. 12.

²⁷² *HG*, 11 August 1972, p. 1.

there was reliable support in the Labour group for non-implementation.²⁷³ The result of the London Regional Council Meeting on 25 March was not encouraging, with only three other boroughs showing signs of being committed to 'taking on' the government, although others were waiting to see what happened.

Conclusion

By the beginning of April 1972 Labour councillors had been engaged for seven months in verbal attacks on the White Paper and Housing Finance Bill for two principal reasons: they considered 'fair rents' to be unsuitable for council tenancies and objected to the loss of local autonomy. Tenant associations and similar organisations took an active and vocal part in urging Labour councillors to fight the government over the rent increases. Over this period, boroughs tended to adopt the sort of constitutional methods advocated by Labour's NEC: issuing publicity to their tenants, holding meetings with them and seeking, unsuccessfully, to meet the Secretary of State. Meanwhile, Conservative councillors supported the government proposals, which endorsed their own policies for new rent structures when in office. They pointed out that the failure to raise rents in two stages during 1972 was unhelpful to tenants because it would lead to a larger increase in October. They questioned the legality and implications of any refusal to implement the legislation, warning that rebel councillors risked incurring penal action by the Secretary of State, including the withdrawal of housing subsidies.

Opposition to the policy changes was more muted in Newham and Southwark, where unbroken Labour rule had kept rents low since the boroughs had been established, and both had in any case imposed their own rent increases in October 1971. The leadership in Newham led the way in indicating that they would comply with the legislation, because the borough would benefit from the new subsidy regime. It also appeared unlikely that either Southwark or Brent would refuse to implement, despite the harsh words about the government proposals. But nothing was yet clear-cut because of increasing pressure from tenant organisations and constituency parties.

Politicians as diverse as Bob Mellish MP and the as yet inexperienced Ken Livingstone advocated united action among the boroughs in their fight with the government, reasoning that each borough would be ineffective on its own. But London-

²⁷³ See Chapter Five.

wide meetings had so far failed to produce agreement on a common strategy. It seemed that of 21 Labour boroughs only a handful, including Camden and Greenwich, were likely to take a hard line over the legislation. Greenwich council was the first to start on the road to defiance of the government and in so doing its leadership received the adulation of tenants. But the moderate John Cartwright seemed ill-suited to the role of leading the council in a political clash with central government, and he admitted that his group were 'reluctant revolutionaries'. There was already a split in the Labour group over the issue. Camden would shortly begin a protracted struggle against implementation, but the strength of support for its hard-line policy had yet to be tested. Ominously for those hoping for a rebellion, both defiant boroughs were working in isolation. Yet Sklair's proposition that Camden should have attempted to lead a national campaign against the Bill was hardly realistic in the circumstances.

CHAPTER FOUR:

RELUCTANT IMPLEMENTATION OF THE 1972 ACT

As explained in Chapter Two, during the summer of 1972 Anthony Crosland and his parliamentary colleagues were active in urging local authorities to apply to the DoE for a smaller rent increase than was specified in the Housing Finance Bill. The Newcastle amendment to this legislation enabled councils to obtain the concession where the mandatory increase of one pound on rents would push them significantly above the ‘fair rent’ level on two per cent or more of the council’s lettings.¹ Tony Crosland was hopeful that the DoE’s favourable response to Newcastle and Birmingham councils indicated that the GLC and half the London boroughs were likely to succeed in obtaining similar concessions, because of high rents in the capital.² Reg Freeson MP, a PLP spokesman on housing, wrote to all Labour-controlled local authorities explaining how they should frame their application to the Secretary of State and urging them to do so by July.³ This would allow time for negotiation before the Act came into force.⁴ Labour councillors were to heed the PLP’s initiative on ‘constructive opposition’ as those who either believed that the best course of action was to comply with the legislation, or were vacillating over a decision, could seize upon the amendment as something to offer their tenants as consolation.

This chapter explores the various ways that Labour groups, with the exception of Camden, came to comply with the 1972 legislation. In the first part, it describes a steady shift in opinion against notions of defying the government and analyses the reasons why this occurred. An examination is made of the debates within Labour groups on the issue of implementation and the divisions that occurred as positions adopted became polarised. In the second part of the chapter, mention is made of national conferences that took place in the final weeks before the legislation became law. It records the increasing urgency for councils to make final decisions on whether to introduce the mandatory rent increases. Attention is paid to the arguments made by Conservative councillors about the merits of the policy changes; also to the role played by Whitehall in urging councils to comply with statute law.

¹ Housing Finance Bill, Clause 63 (6); enacted in Housing Finance Act 1972, Clause 62 (4).

² Hansard, HC Deb 8 May 1972 vol. 836 col. 948, Mr Crosland.

³ Freeson represented Willesden East constituency in Brent.

⁴ *WBC*, 26 May 1972, p. 1.

4.1: RESISTANCE SOFTENS

Before the summer of 1972 there was little need for councils to settle one way or another whether to adopt the changes in the Housing Finance Bill because the first mandatory rent increase was several months away. Nevertheless, the growing support for a campaign of defiance led a minority of leaders to take the view that they should make some sort of response. Crosland's initiative promised to provide Labour councils with a way out of a dilemma. Yet it might present a new quandary, as acting on the Newcastle amendment might be interpreted as tacit acceptance of the Bill containing it. This does not appear to have deterred some Labour groups from contesting the principle of introducing 'fair rents' into the public sector, whilst seeking a reduction in the first increase, as we will see in the following section.

Strategies of Compliance

Even before the possibility of following the precedents set by Newcastle and Birmingham was widely acknowledged, the Newham leadership acted on its broad acceptance of the government's changes to housing policy. With opinions divided between authorities on the best strategy to adopt, and a dispute within the Newham group becoming an embarrassment to the Old Guard, Bill Watts took the initiative of forcing through a policy of compliance. At an April meeting of the full council he proposed the following motion:

That if the Conservative Government's Housing Finance Bill becomes Law, Newham Council [is] of the opinion that it will be better for the people of Newham if the elected council members implement the Bill rather than leave it to be done by a Conservative Government representative, but wishes to place on record its opposition to all that is worst in the Bill.⁵

The motion went on to demand that the government should allow an authority greater independence and flexibility over the assessment of 'fair rents'. It asked the PLP to provide alternative proposals for housing reform with which to fight the next general election.⁶ The motion concluded in a most unusual way in that it was expressed as a direct appeal to the borough's council tenants over future conduct. It asked them to refrain from engaging in rent strikes or similar action, but to protest against the government in other ways.⁷

⁵ LBN, Minutes of Council Meeting, 18 April 1972, p. 423.

⁶ Ibid.

⁷ Ibid.

By way of explanation, Watts conceded that “This is not an easy decision to make. It doesn’t mean we are welcoming with open arms this legislation, but if any dark deeds are to be done, it is only proper that we as elected representatives should be here to do them.”⁸ The *Newham Recorder* identified the leader of the rebels on the council as an ex-mayor, who countered by saying:

I am very distressed when I read in this motion that we think it better for the people of Newham if we are good boys and go along with ‘fair rents’. This authority has been known in the past for giving a lead in progressive thought and action, but on this occasion we are tending to capitulate.⁹

The meeting approved the Watts motion by 50 votes to 13 against, thus justifying the earlier newspaper report by Bernard Josephs about a split in the group.¹⁰ The opposition councillors (ratepayers) supported the motion.¹¹ This decision by Newham to implement government policy was made almost six months before the first mandatory rent increase was due.

Meanwhile, John O’Grady, the leader of the other borough, Southwark, where Labour had been in power since 1964, announced, to the wrath of its tenants, that the council would implement the Bill.¹² The *South London Press* reported that nine councillors in the Labour group had opposed the majority decision at a confidential meeting, but that there was secrecy over their identity.¹³ The leadership issued a statement that they had decided to meet the minimum requirements of the law “in order that all persons in rented accommodation can be protected from the worst effects of the Bill”.¹⁴ They also objected to a commissioner taking over the democratically held power of the council.¹⁵ Tenants responded adversely and councillors received a deputation at a Labour group meeting. Nevertheless, tenants heckled speakers at the next full council meeting by shouting and chanting such things as “Tory lackeys” and “We won’t pay the rent”, to a point where the public gallery was cleared.¹⁶ John O’Grady and housing chairman, Alderman Charles Sawyer, continued to meet representatives of tenants’ groups for some time. According to reports from the tenants, at one such encounter, when protesters were exceptionally passionate in arguing their case, the two councillors

⁸ *Barking and Dagenham Post*, 26 April 1972, p. 14.

⁹ NR, 20 April 1972, p. 64. The rebel leader was Abraham Woolfe.

¹⁰ Mentioned in Chapter Three.

¹¹ LBN, Minutes of Council Meeting, 18 April 1972, p. 424; NR, 20 April 1972, p. 64.

¹² SLP, 28 April 1972, p. 1.

¹³ SLP, 19 May 1972, p. 1.

¹⁴ SELKM, 4 May 1972, p. 26; SLP, 5 May, p. 16.

¹⁵ SLP, 5 May 1972, p. 16.

¹⁶ SLP, 5 May 1972, p. 1, ‘Tenants drown mayor’s speech’; SELKM, 11 May 1972, p. 18.

meeting them were so shaken that they were reduced to silence. From this reaction, tenants' representatives assumed that the leadership would rethink their position, but this did not happen. The justification they gave was that other south London boroughs would be complying with the law.¹⁷

The Islington group's spokesman on rents policy, Gerry Southgate, was associated with the Young Turks and so was a very different type of politician from Bill Watts. But he also held the view that implementation was the only prudent course of action and proceeded to pursue this aim, though less forcefully. Ten days after the London regional council meeting (25 March), the Islington Labour group decided against defying the government over the rent increase. The *Islington Gazette* reported that the vote was understood to be 28 to 18, indicating that support for Southgate's approach was far from overwhelming. The report contrasted this Labour group's compliant policy with that of its neighbours, Camden and Hackney.¹⁸

Gerry Southgate explained the reasons for the group's reluctant decision in terms similar to those employed by the leadership in Newham, saying that it was the best way "to protect the tenants in the initial period when fair rents are set."¹⁹ There was a hostile reaction from tenant organisations to the decision, but Southgate was single-minded and received sufficient political support to achieve his aim. This was virtually assured in May when the group chose him as leader of the council in preference to Bill Bayliss.²⁰ But these two local heavyweights were soon to cooperate on obtaining formal council endorsement for a policy of accepting the Bill. Whilst conceding that his policy would be reconsidered, he added, pointedly, "Whether the decision will be reversed is another matter."²¹

In a newspaper article he wrote in support of his strategy, Southgate argued that there was probably no hope of stopping the 'fair rents' legislation because the Industrial Relations Bill had been enacted despite strong opposition from the PLP and the trade unions.²² Consequently, the council could best serve the interests of tenants by remaining in control of assessing rents. He pointed out that the very concept of 'fair rents' was 'notoriously vague', and the council's staff would be in a better position to

¹⁷ *SLP*, 23 June 1972, p. 1.

¹⁸ *IG*, 7 April 1972, p. 1.

¹⁹ *Ibid.*

²⁰ See Chapter One.

²¹ *IG*, 18 April 1972, p. 1.

²² *IG*, 25 April 1972, p. 3.

keep the new rents reasonable than a government-appointed commissioner.²³ Southgate was also aware of the opportunity for a concession being opened up by Newcastle and Birmingham. Somewhat defensively though, he assured his readers that his stance was not due to fear of being surcharged by the district auditor or of other penalties.²⁴ An opposing view over implementation was taken by Pat Haynes, who wrote to the local press advocating defiance and asking for support from tenants. He recommended that those councillors who feared financial penalties should abstain when the time came to vote in the council chamber.²⁵

In reaction to tenant organisations and rebel councillors demanding a public debate on the issue, a few meetings were held between Labour councillors and tenants, but they do not appear to have been on a borough-wide basis.²⁶ Tenants and their supporters were exceptionally demonstrative and vocal in lobbying members and interrupting council debates on the rents issue. Their participation was as rowdy as in Camden and Greenwich at this time, but in Islington the mood among tenants was one of growing anger with the demonstrators besieging the town hall, confronting the police and throwing tomatoes from the public gallery before it was cleared.²⁷

Although the Bill was on the council's agenda, in May there was nothing about the central issue of council rents, only brief reports on other aspects of government proposals, including the rent rebate scheme.²⁸ Rebel councillors put forward an emergency motion asking the council to review its decision to accept the Bill and send representatives to a national conference on the Bill to be held in Sheffield the following month. To the surprise of many of those present, the mayor disallowed the motion because there had never been a formal council decision on implementation. The proposers of the motion had overlooked the fact that the decision to which they referred had not gone beyond the Labour group. With confusion amongst the rebels, the council passed a perfunctory motion to send a deputation of councillors and tenants to lobby Edward Heath, but such a token gesture would not placate the opponents of the Bill.²⁹

²³ *IG*, 25 April 1972, p. 3.

²⁴ *Ibid.*

²⁵ *IG*, 2 May 1972, p. 4.

²⁶ *IG*, 14 April 1972, p. 4; 18 April 1972, p. 1; 25 April 1972, p. 4.

²⁷ *IG*, 5 May 1972, p. 1; *HG*, 9 May, p. 2; *IG*, 23 June 1972, p. 1.

²⁸ *LBI*, Agenda of Council Meeting, 9 May 1972, p. 21.

²⁹ *IG*, 5 May 1972, p. 1; *HG*, 12 May 1972, p. 11.

Islington was not represented at the national conference on the Bill held in Sheffield on 10 June.³⁰

On 20 June Islington council finally settled the policy over 'fair rents. It seems that an arrangement was made in the Labour group that the rebels would withdraw a defiant motion in return for them being allowed to speak freely in the debate and abstain from voting if they wished.³¹ Gerry Southgate put forward a lengthy motion in favour of compliance, seconded by his previous adversary, Bill Bayliss. It called on the government to withdraw the Bill, but, failing this, 'to respect the views of the London Boroughs Association and make it operative from October 1973.' The motion continued:

However, if the Government refuses both of these demands and persists with this vicious anti-social legislation, then this Council decides, if the Bill becomes law, that it will implement it rather than hand over housing in Islington to a Housing Commissioner.³²

Astutely, Southgate warned that if Islington failed to raise rents, it could lose about £60,000 each week in housing subsidies, which would put pressure on rents in the future.³³ It would have been apparent to those present at the meeting that the intention to implement contained in the second part of Southgate's motion fatally impaired the request to the government, in the first part, to withdraw the Bill or delay the date of its operation.

The leader of the rebels on the Labour benches, Ray Wylie, withdrew his motion opposing implementation before debating the issue.³⁴ Wylie implicitly criticised the leadership, along similar lines as Leslie Sklair was later to make of Camden. He argued that Islington should have taken a lead among local authorities some months previously and before disunity among Labour councils set in.³⁵ Referring to the adjoining boroughs of Camden and Hackney, he said "When places like this were looking for solidarity and leadership, we let them down."³⁶ But he recognised that with hardly any authorities committed to defiance, there was no stopping the Bill, so it was preferable for the

³⁰ Meeting called by Sir Ron Ironmonger, leader of Sheffield City council. See Leslie Sklair, 'The Struggle Against the Housing Finance Act', *The Socialist Register 1975* (London: 1975) p. 255.

³¹ *IG*, 20 June 1972, p. 5; 23 June 1972, p. 1.

³² LBI, Council Minutes, 20 June 1972, p. 67.

³³ *IG*, 23 June 1972, p. 1.

³⁴ LBI, Council Minutes, 20 June 1972, p. 67; *IG*, 23 June 1972, p. 1. At the time Ray Wylie was a PhD student at London University: see election profile in *IG*, 5 March 1971, p. 2.

³⁵ A similar argument is provided by Pat Haynes, *An Islington Councillor 1971–1992* (London: Pat Haynes, 1974) p. 14 (see above).

³⁶ *HG*, 23 June 1972, p. 11. Sklair was later to criticise Camden for not taking the lead among rebel councils.

council to remain in control of rents rather than losing that power to a housing commissioner.³⁷

Wylie's statement put him in line with Southgate and at odds with more die-hard rebels. Among the latter were two working-class members who pleaded that Islington should follow the lead set by the miners, railway, and dockers' unions in taking on the government in their disputes.³⁸ By the end of the evening, many councillors had left the meeting. The Southgate motion was carried by 29 votes to 11 with several abstentions. The tiny Conservative group defended the legislation and in view of the criticisms of the government in the motion and voted against it.³⁹ After this crucial debate Pat Haynes concluded that lack of unity among the boroughs was behind the decision to implement. He recorded in his diary, 'I had been in a minority group that had wished us to defy the Government but with the inability of Labour Councils in London and elsewhere to make a united stand, such attempts were doomed to failure.'⁴⁰ Southgate concluded that all councils would ultimately comply with the legislation, even Camden.⁴¹

Meanwhile, boroughs had begun to apply to the DoE under the Newcastle amendment for abatement of the first rent increase. The Brent leadership asked the DoE for certain tenancies to be exempted completely where they considered that the tenants already paid in excess of 'fair rents'.⁴² The application preceded Reg Freeson's letter, but as a local MP for Willesden East, it is likely that he gave advice to his town hall colleagues. Conservatives on the housing committee attempted unsuccessfully to have rents put up by 50 pence a week to lessen the increase in October.⁴³ Ambitiously, Brent was soon asking for the initial increase to be reduced to 32 pence.⁴⁴ But the leadership delayed putting the implementation issue to full council. The local press accused the council of sitting on the fence; the leader, Phil Hartley, responded somewhat defensively saying that the application being submitted to the DoE demonstrated the council's concern to provide protection for its tenants.⁴⁵ Encouragingly, the DoE

³⁷ *IG*, 23 June 1972, p. 1.

³⁸ *Ibid.*; *HG*, 23 June 1972, p. 11. The members were Gerry Flynn and Oliver Monaghan.

³⁹ *IG*, 23 June 1972, p. 1. The Conservative leader was Alderman Michael Morris.

⁴⁰ Haynes, *An Islington Councillor*, p. 14.

⁴¹ *IG*, 6 June 1972, p. 2.

⁴² LBB, Agenda of Council Meeting, 10 May 1972, Report of Housing Committee, 10 April, p. 694; Minutes of Council Meeting, 10 May 1972, p. 780.

⁴³ *Ibid.*

⁴⁴ London Borough of Brent, Agenda of Council Meeting, 5 July 1972, Housing Committee, 14 June, pp. 71–3; Council Minutes, 5 July, p. 143.

⁴⁵ *WBC*, 16 June 1972, p. 1.

notified Brent that it could agree an October increase of 55 pence.⁴⁶ In Newham, Bill Watts announced that the council was applying for a reduced rent increase under the amendment.⁴⁷ He does not appear to have explained publicly that the increase was limited to 50 pence by virtue of the borough having put up rents in October 1972, which counted towards the first year's one pound increase. In its official news bulletin, the council explained that it would be complying with the legislation because it was not in the interests of tenants to do otherwise. It gave certain broad pledges over its interpretation of 'fair rents', but again asked people to refrain from supporting rent strikes.⁴⁸ Islington applied for the October increase to be about 26.5 pence.⁴⁹ Although the figure was unacceptable to the DoE, the department was amenable to a reduction.⁵⁰ The borough was to continue negotiations over the amount of increase for several months.

It is understandable that leaders who were committed to introducing the mandatory rent increases should be seeking abatement in October. But for those who were considering 'taking on' the government, there was a certain inconsistency in doing so. John Cartwright in Greenwich was unusual in voicing his concern over the quandary that the Newcastle amendment posed for potentially defiant councils by pointing out, "If we decide to apply for permission not to increase our rents by the full amount, it means we are recognising the machinery we determined to boycott".⁵¹ Other leaders saw nothing incompatible in doing so while threatening to defy the government. In particular, the steadfastly defiant councillors in Camden seemed to consider that there was nothing inconsistent or prejudicial about holding out against the government, while simultaneously undertaking negotiations with DoE officials over the level of the October increase and details of the rent rebate scheme.

Opinion shifting against defiance

Despite strong support for a confrontational approach in some Labour groups, doubts were growing about its merits as there was increasing nervousness over the penalties that might be inflicted for non-compliance. At the same time, the adoption of 'constructive opposition' had an attraction as a short-term solution for members who

⁴⁶ *LGC*, 28 July 1972, p. 1268, '55 rent increase approved for Brent'.

⁴⁷ *NR*, 15 June 1972, p. 15.

⁴⁸ *Newham Today*, summer 1972, 'Council gives pledges on rents Bill'.

⁴⁹ *IG*, 9 June 1972, p. 1.

⁵⁰ *LGC*, 28 July 1972, p. 1268, '55 rent increase approved for Brent'.

⁵¹ *SELKM*, 13 July 1972, p. 24.

were wavering over the options. When announcing that they would go along with the legislation, some council leaders stated that an application was being made to the DoE under the Newcastle amendment, although some did so before making the crucial decision on whether to accept the Bill.

In Lambeth and Hackney, the stance during June and July was that they were delaying making their final decision.⁵² Labour members in Lambeth had been saying for some time that the only way to persuade the government to back down was for a number of London councils to make a united stand. It was becoming clear that the borough was in a strong position to benefit from the Newcastle amendment because most of its rents were within a pound of the 'fair rents'.⁵³ Shortly after Crosland's announcement on 'constructive opposition', Lambeth's housing chairman, Ewan Carr, who was associated with Labour's Old Guard, reported that application had been made to the DoE. As he put it at a meeting with the public, 'Lambeth Council has taken the plums from the Housing Finance Bill such as private rent allowances, increased subsidies and reduced fair-rent levels.'⁵⁴ Carr seemed to be preparing the ground for a pragmatic solution by pleading that it was necessary for councillors to "decide between what they would like to do and what they can do".⁵⁵ This attitude was neither pleasing to tenant groups nor to the hard-line Ted Knight, who held office in Norwood CLP but was not yet on the council.⁵⁶ Knight was strongly opposed to local authorities implementing the Bill and warned, "While we cannot dictate to the councillors, they should consider their positions as leaders in Lambeth."⁵⁷ By this he meant that he was threatening councillors that they risked de-selection as candidates at the 1974 local elections.⁵⁸ At the annual meeting of Lambeth Council on 17 May, Ken Livingstone became vice-chairman of the housing committee under Ewan Carr, putting him in an advantageous position to influence policy.⁵⁹

The views of Ted Knight and other hard-line political activists in the Norwood constituency were by no means accepted elsewhere in the borough. Streatham constituency party was won over to the approach advocated by Tony Crosland and

⁵² *SLP*, 12 May 1972, p. 1.

⁵³ *LGC*, 18 August 1972, p. 1400, 'Rent increases'.

⁵⁴ *SLP*, 19 May 1972, p. 15.

⁵⁵ *Ibid.*

⁵⁶ Ted Knight was vice-chairman of the local Labour Party. He later became a high-profile leader of Lambeth council as related in Chapter Two.

⁵⁷ *SLP*, 19 May 1972, p. 15.

⁵⁸ John Carvel, *Turn Again Livingstone* (London: Profile Books, 1999) p. 35.

⁵⁹ LBL, Agenda of Council Meeting, 17 May 1972, p. 34, Appendix 'D'.

urged the Labour group on the council to adopt a moderate approach.⁶⁰ It is perhaps no coincidence that the Streatham party secretary was David Lipsey, who was soon to work with Crosland as a special adviser.⁶¹ Lipsey took the view that, “In the tenants’ interests we should implement the Act and then fight within it for the best deal we can get them.”⁶² Lambeth’s negotiations with the DoE reduced the October rent increase to 55 pence.⁶³ Nevertheless, the influence of the hardliners persisted and the Labour group attempted to circumvent the rent increases, as explained later in this chapter.

Hackney Labour group was undecided on whether to raise rents due to a major split, although this took some time to come out into the open. For different reasons, the Hackney tenant organisations and the Conservatives on the council wanted the Labour group to make its position clear. The tenants expected the leadership to confirm what the councillors Kotz and Ross had been saying since March about there being a majority in favour of defying the government. A tenants’ leader complained, “We are concerned at the inept way the Council has acted in not declaring itself publicly against the Bill.”⁶⁴ In contrast, Conservative councillor, Joe Lobenstein, sought assurances that the council would *not* engage in militant action. At a full council meeting at the end of June, he put a question to the leader of the council: “Will you now confirm that despite public statements made to the contrary by some of your colleagues this Council will implement the Housing Finance Act?” To which Alderman Martin Ottolangui simply answered, “No”.⁶⁵ As this response was ambiguous, Ottolangui explained to the local press, “I am opposed to the Act, of course, but cannot say anything until the Council has had the opportunity to thoroughly discuss it.”⁶⁶ But the council formally postponed a debate on implementation, without giving an indication when one would be held, so Lobenstein pursued the same line of questioning at the next scheduled council meeting.⁶⁷

Greenwich, like Camden, had passed a resolution declaring that it would not be implementing the Act when it received Royal Assent.⁶⁸ When it emerged that the council had a sizeable deficit in its housing revenue account, the officers recommended an immediate 62 pence rent rise to ease the situation, instead of relying on a

⁶⁰ *SLP*, 30 June 1972, p. 13.

⁶¹ David Lipsey, *In the Corridors of Power: An Autobiography* (London: Biteback, 2012); author’s interview with Lord Lipsey, 4 February 2013.

⁶² *SLP*, 30 June 1972, p. 13.

⁶³ *LGC*, 18 August 1972, p. 1400, ‘Rent increases’.

⁶⁴ *HG*, 23 May 1972, p. 7; 2 June 1972, p. 9. The tenants’ leader was Bob Darke.

⁶⁵ *LBH*, Minutes of Council Meeting, 28 June 1972, p. 111.

⁶⁶ *HG*, 30 June 1972, p. 1.

⁶⁷ *HG*, 7 July 1972, p. 1.

⁶⁸ Explained in Chapter Three.

contribution from the rate fund.⁶⁹ Rumours spread that some Labour councillors favoured a modest increase in June. However, the Labour group decided against it and the housing committee formally rejected the officers' recommendation.⁷⁰ John Cartwright explained that, "council tenants would not understand any rise imposed in advance of the Housing Finance Bill becoming law."⁷¹ Yet, other rumours were circulating in the borough that the council would not hold out against the Act once it was passed. This was the view of the Conservative opposition on the council and their leader, Charlie Miles, put it to a meeting of party members that, "They are leading the tenants up the garden path. They have no intention of not implementing the Bill. Be sure they will!"⁷² He said provocatively that not only were Labour members "too weak-kneed" to oppose the legislation, but that they were also aware of the advantages for private tenants. The *Kentish Independent* invited Mervyn 'Jeff' Jeffrey, the chairman of housing, to respond to the opposition's claims. Significantly, he did not deny the allegation of a U-turn outright, but simply said that he disagreed with Miles's views on the Bill. The local newspaper commented that 'theoretically, it would be possible for them, even at such a late hour, to withdraw from positions that at the moment appear to be deeply entrenched.'⁷³ It soon came to light that a significant number of Greenwich councillors had changed their minds. To enable members to debate the issue, a meeting was scheduled for 26 July. In support of the council's stand, tenant organisations arranged a march through Woolwich in early June. The local press reported that about 200 protestors attended, including Guy Barnett MP and some Greenwich councillors. The procession was headed by a girls' pipe band representing Kent and District Mineworkers, demonstrating support from the wider labour movement.⁷⁴

When the campaign against the Bill was coming to a head, there were clear signs that opinion within Greenwich Labour group was moving in the opposite direction to that of the tenant lobby. A number of councillors, who supported the motion of defiance in March, had changed their minds. This trend was revealed when the Labour whip consulted group members on how they intended to vote at the special meeting in July.⁷⁵ The *South East London Mercury* commented that the outcome of voting was likely to be a 'cliff-hanger' as only a few absences would mean that the original resolution could be

⁶⁹ KI, 4 May 1972, pp. 1 and 5; LBG, Minutes of Council Meeting, 17 May 1972, pp. 552–3 (Doc. 319).

⁷⁰ Ibid.

⁷¹ KI, 4 May 1972, pp. 1 and 5; SELKM, 11 May, p. 17.

⁷² KI, 11 May 1972, p. 1.

⁷³ Ibid.

⁷⁴ SELKM, 8 June 1972, p. 12.

⁷⁵ SELKM, 29 June 1972, p. 1.

reversed with Conservative support.⁷⁶ As in Camden, it had yet to be seen whether the leadership would be bold enough to keep a rebellion alive when councillors faced thwarting the will of Parliament with all the perils that this implied.

During the late spring and early summer of 1972, there were indications around the boroughs of the beginnings of a shift in the nature of opposition to the government towards a more conformist mode. In Newham and Islington the leading councillors took steps to have a compliant strategy adopted. These decisive moves by Bill Watts and Gerry Southgate demonstrated how politicians of a different ilk could quash the threat of a serious rebellion where support for it was weak or ill-organised. Both argued that it was in the interest of tenants to prevent a housing commissioner from taking control of rent-fixing, and there were indications that the lack of unity among the boroughs was a deciding factor. Labour councillors drew different conclusions from the lessons of industrial relations under the Heath Government. Some pointed to the success of the miners in ‘taking on’ the government, but Southgate made a telling point that the combined opposition of the trade unions and PLP were unable to prevent the Conservatives passing the Industrial Relations Act. There were members who remained committed to a policy of non-implementation, resulting in a split vote in the council chambers.

Some groups postponed the evil day when they would need to hold the crucial debate in the council chamber; others appear to have been undecided because opinion was divided within their ranks. It was not yet clear whether Greenwich and Camden would stick to their defiant resolutions. As time went on, the doubts increased over the merits of a confrontation with the Secretary of State, and concern grew over the sanctions he might impose, so adopting ‘constructive opposition’ offered a way out of a dilemma. Conservative oppositions wholeheartedly supported the legislation and were at times effective in raising questions that embarrassed Labour administrations, especially when there was a split in the Labour ranks or leaders were ‘sitting on the fence’ over the issue. A consequence of the diverse approaches between London boroughs was that by the end of June – some months after attempts began to be made for authorities to work together to defeat the Bill – opinion between Labour groups was still as fragmented as ever. As a Camden councillor at that time, Frank Dobson, puts it, liaison between the boroughs never gelled.⁷⁷ There was to be a dialogue between the

⁷⁶ *SELKM*, 29 June 1972, p. 1.

⁷⁷ Author’s interview with Frank Dobson MP, 4 July 2012.

members of PLP and local authorities over strategy, and it was becoming clear that Tony Crosland and most of his parliamentary colleagues were in favour of constitutional forms of opposition to the legislation.

4.2: HOUSING FINANCE BILL BECOMES LAW

Throughout the summer of 1972 Tony Crosland and his PLP colleagues continued to encourage Labour councils to apply to the DoE for a concession under the Newcastle amendment. A particular opportunity for this arose at a Labour Party local government conference on 8 July when the Housing Finance Bill was the main topic on the agenda. In preparation for the conference, the PLP and the Labour Research Department prepared a background paper on the Bill for councillors and others attending. In it they explained the options facing local authorities: full implementation, non-implementation or constructive opposition.⁷⁸ They repeated the advice issued by the NEC earlier in the year, by emphasising the disadvantages of refusing to implement because of the powers reserved to the Secretary of State in the Bill. In setting out the pros and cons of the alternatives, they conceded that introducing rent increases might result in Labour groups breaking their election pledges. But the document unreservedly promoted the advantages of constructive opposition and provided a lengthy explanation of the reasons for adopting a conciliatory strategy, including seeking a reduction in the first rent increase. In commenting on the background paper, Leslie Sklair put it mildly by observing, 'It was quite clear that the Labour Party machine was not encouraging non-implementation, to say the least'. According to Sklair, by the end of June the majority of the Labour leaders of the large city authorities had already decided to avoid embarking on a 'collision course' with the government. This followed a private meeting with Harold Wilson, Leader of the Opposition, who explained that the party could not promote a policy of non-implementation.⁷⁹

A week before the major Labour Party event, there was a 'Non-Implementation Conference' at Camden Town Hall. The meeting passed a motion calling upon the Labour Party's NEC to ask all Labour-controlled councils to refuse to implement the Bill.⁸⁰ This motion was referred to the Special Local Government Conference the

⁷⁸ Labour History Archive and Study Centre (LHASC) Labour Party Research Department, Regional and Local Government Sub-Committee, 'Background Paper on the Housing Finance Bill' [RD.386/June 1972].

⁷⁹ Sklair, 'The Struggle Against the Housing Finance Act', p. 256.

⁸⁰ *Labour Weekly*, 7 July 1972, p. 3.

following week. A Greenwich councillor present, a dock worker, made a connection between Labour local authority resistance to rent increases and the struggle over the Industrial Relations Act, by calling on council tenants to rally behind defiant Labour leaders in the way that the dockers had supported their three rebels held in prison.⁸¹

At the Local Government Conference on 8 July, there were some leading members of the PLP on the platform: Anthony Wedgwood Benn (Tony Benn) in the chair and Tony Crosland the leading speaker. The meeting included a debate on tactics that could be adopted to combat the Housing Finance Act when in force, and the *Labour Weekly* commented on the polarisation of opinion between those advocating a policy of constructive opposition and the supporters of non-implementation.⁸² Tony Crosland predictably urged council representatives to apply for a lower rent increase to the point where the minister's desk was flooded with applications.⁸³ Crosland was supported in this line of argument by representatives of some major cities: Leeds, Manchester and Newcastle. Jeremy Beecham, the Labour leader of Newcastle council, put it cogently to delegates, "Are we going to say to our 44,000 tenants that we dislike the Bill so much that we are going to refuse the chance to get an increase of only 35p? And instead hand over to a Housing Commissioner who will raise the rent to £1?"⁸⁴ But the leader of Sheffield Council, Sir Ron Ironmonger, who had been active in trying to coordinate opposition to the Bill, disagreed. Instead, he proposed that councils should give no indication to the minister whether or not they would be implementing, but throw a spanner in the works by waiting to see if he would intervene.⁸⁵ Wedgwood Benn ruled that the conference had not been called to make decisions.

It is apparent that when it came to the national stage, the actions of one London borough, such as Sklair's 'candidate' Camden, was unlikely to have significant influence among Labour's major cities with their prestige in the Party that had been built up over many decades. The only Labour group in the capital which would have had the prestige to lead a national campaign would have been the GLC, on account of its formidable size and because it was the successor to the renowned LCC. At the time, however, the GLC was under Conservative control and Labour did not yet have a leader who might have taken on the role as when Ken Livingstone was appointed in 1981.

⁸¹ *KI*, 6 July 1972, p. 1. The Greenwich councillor was Jim Spencer.

⁸² *Labour Weekly*, 14 July 1972, p. 3.

⁸³ *Ibid.*, p. 1.

⁸⁴ *Ibid.*, 14 July 1972, p. 3.

⁸⁵ *Ibid.*

Later in the month, the Bill was discussed at the Association of Municipal Corporations (AMC) where Labour authorities had gained a dominant position. The AMC shed its acquiescent approach and passed a motion calling for the government to withdraw the Bill.⁸⁶ Such action could be little more than a gesture of disapproval as the government was well on course to having the legislation placed on the statute book.

The deadline looms

As the part of the Act relating to the mandatory rent increases came into operation soon after Royal Assent was granted on 27 July, there was little time for the undecided councils, namely Brent, Hackney, Lambeth and Southwark, to hold meetings to resolve the issue. They would either need to do so before August, or to hold a special meeting during the recess. Authorities had to act quickly if council officers were to be given sufficient time to prepare rent increase notices to serve on tenants during the first week in October. Camden and Greenwich, where defiant resolutions were passed whilst the Bill was in draft, would have to make formal resolutions either to ratify their earlier position or to reverse it.

In Greenwich, there were various influences on hesitant Labour members that persuaded them to move away from their official hard-line policy. There was a growing awareness of insufficient councils committed to 'taking on' the government since the Regional Council meeting of 25 March. As a succession of Labour groups declared that they would comply with the Act, the argument for continuing with a strategy of defiance became weaker. An application to the DoE under the Newcastle amendment appeared justifiable, but for consistency it was desirable for the council to link this to a firm decision to implement the rent increases. The late amendments to the legislation, which strengthened the default powers of the Secretary of State, caused concern among members. A letter from a senior civil servant in the DoE, Walter Ulrich, reinforced their misgivings. The letter was a belated response to the chief executive who informed the Secretary of State in March that the council had decided not to implement the parts of the Bill requiring rent increases. Ulrich bluntly pointed out the legal obligations of the council. What he wrote applied to local authorities generally and indicated the DoE's attitude to them:

If the Bill is enacted, it will place certain statutory duties on local authorities. [They] cannot lawfully refuse to discharge these duties. They cannot divest

⁸⁶ *LGC*, 28 July 1972, p. 1268, 'AMC wants Housing Finance Bill withdrawn'.

themselves of the statutory functions with which they are charged for public purposes. Local authorities are in effect creations of statute, and exist to perform the duties and to exercise the powers conferred upon them by statute. Thus [local authorities] who decide not to perform a duty imposed by the Bill are not choosing between two policies which they are free to adopt. They are choosing to act unlawfully instead of lawfully. The fact that remedies exist for a default on a statutory duty does not excuse or mitigate that default in any way.⁸⁷

A transcript of the letter was included in the agenda of the crucial council meeting on 26 July and appears to have had a significant influence on council members. John Cartwright announced that a free vote would be allowed.⁸⁸ A week before the full council, the housing and policy-making committees met jointly to discuss the implications of the late amendments to the Bill and the Ulrich letter. Two opposing motions were presented to committee members. Jeff Jeffrey proposed that the council's earlier resolution in favour of defiance should be ratified, whereas the group's whip, Marie Kingwell, proposed that it should be rescinded.⁸⁹ The meeting narrowly approved the Kingwell motion, so included in its report to full council the following recommendation: 'That this Council discharges its legal functions under the Housing Finance Bill, should it receive Royal Assent, and subject thereto that the resolution of the Council at their meeting on 29th March not to implement Parts V and VI of the Housing Finance Bill be rescinded.'⁹⁰ A second recommendation was that an application be made to the Secretary of State for a reduction in the first rent increase under the Newcastle amendment.⁹¹

Disappointed tenant organisations made arrangements to lobby Labour members at the town hall and warned them that a reversal of the council's previous decision would be treated as a betrayal. When the Labour group met some tenants' representatives two days before the vital meeting, it was clear that members were still divided over the issue.⁹² As the Conservatives were almost certain to vote for a Labour motion to implement, the Labour rebels would have to retain considerable support to avoid a reversal. Fate also played a hand in the events of the evening, as John Cartwright announced that he would be unavoidably absent, as a few days earlier his father had suffered a near-fatal accident in Somerset rendering him unconscious and his

⁸⁷ LBG, Minutes of Council Meeting, 26 July 1972, Report of Special Meeting of Management and Housing Committees, p. 126 (Doc. 352).

⁸⁸ *KI*, 20 July 1972, p. 1.

⁸⁹ *KI*, 27 July 1972, p. 1. Group's whip: *KI*, 3 August 1972, p. 1.

⁹⁰ LBG, Minutes of Council Meeting, 26 July 1972, Report of Special Meeting of Management and Housing Committees, p. 127 (Doc. 352).

⁹¹ *Ibid.*

⁹² *KI*, 27 July 1972, p. 1.

mother in shock. Cartwright left London to be with his father and comfort his mother.⁹³ In the absence of the leader, it fell to his deputy, Arthur Capelin, to propose the joint committee's compliant recommendation, which went against the grain because in committee Capelin had supported Jeffrey's motion. He therefore reserved the right to be consistent when voting at full council.⁹⁴

During a lengthy debate at the council meeting on 26 July, there were passionate speeches on both sides of the argument. One long-standing member of the Labour Party explained that he supported implementation because he considered himself a democrat which for him implied obeying the law.⁹⁵ John Austin-Walker challenged this argument, saying "if there had been no lawbreakers in the past there would be no trade unionists or women Members of Parliament today."⁹⁶ He challenged the whole notion that it was necessary to revise the policy which was conclusively agreed at the end of March. But when it came to a division, the council confirmed the committee recommendation to implement the Bill by rescinding its resolution of 29 March when the council warned the government that Greenwich would not be implementing the parts of the Bill relating to mandatory rent increases and 'fair rents'. The decision was close at 32 votes to 28,⁹⁷ with the five Conservatives present supporting implementation. Hence the rebels were only beaten on a minority vote of Labour members.⁹⁸ The council also agreed to seek DoE permission for a lower increase in rents than the prescribed amount for the current year. The decision was greeted with cries from the public gallery of "About-turn" and "Traitors, traitors, down with Labour Party traitors". Ten of the rebel councillors threatened to resign and walked out of the council chamber to join the tenants outside, headed by John Austin-Walker.⁹⁹ For the Conservatives, a satisfied Alderman Ian Davison commented, "I have always said that the majority party would see sense. It is the duty of a council to govern within the law."¹⁰⁰ Following the news that on 2 August Camden had decided to continue defying the government over the Act, there was some talk in Greenwich that the decision might be reversed yet again.¹⁰¹ But a consequence of a gesture of protest by the ten rebels to resign the Labour whip, led to their hard-line

⁹³ *KI*, 27 July 1972, p. 1. Reasons for absence confirmed in email from John Cartwright to author, 31 March 2011.

⁹⁴ *KI*, 27 July 1972, p. 1.

⁹⁵ *KI*, 3 August 1982, p. 5; *SELKM*, 3 August 1972, p. 7. The member was Councillor Offord.

⁹⁶ *KI*, 3 August 1982, p. 5.

⁹⁷ *LBG*, Minutes of Council Meeting, 26 July 1972, p. 129.

⁹⁸ *Ibid.*, pp. 125–30.

⁹⁹ *KI*, 3 August 1972, p. 1; *SELKM*, 3 August 1972, p. 7.

¹⁰⁰ *SELKM*, 3 August 1972, p. 7.

¹⁰¹ *KI*, 10 August 1982, p. 6. See Chapter Five for Camden's decision.

view being under-represented at meetings. As a result of their absence, the balance of opinion within the group swung in favour of the council's decision on 26 July.¹⁰² Significantly, when the housing committee met at the beginning of August, it did not attempt to challenge the decision made by the full council a few days earlier. Instead, the members simply complained that the Secretary of State had failed to issue copies of the Act in time for their meeting 'to enable it to carry out its obligations'.¹⁰³

About this time a piece of Victorian history appeared in the press about a phenomenon known as 'the Woolwich whale', based on an account by local historian, Edward Jefferson. In October 1899 the creature swam up the Thames as far as Blackwall, where it turned back, only to become stranded in the low water off the town of Woolwich. After receiving a battering from various human opponents, it soon expired. It was called a 'five-day wonder' but had 'excited general attention from people on the shore.'¹⁰⁴ In reviewing the events of the summer of 1972, it might be concluded that the Labour group's strategy on council rents had met a similar fate in Woolwich town hall. (Oddly, the ghost of the Woolwich whale was to reappear eight years later at the time the Thatcher Government introduced the Right to Buy.) A consequence of the mini-rebellion being killed off was that one of the few councils in England that had passed a defiant resolution had come into line with government policy in time to increase rents in early October. This U-turn did not augur well for potential rebels in boroughs which had delayed making the crucial decision. Their best hope lay in Camden where, despite a division of opinion within the Labour group, a move in favour of reluctant compliance was defeated on 2 August.¹⁰⁵

Decision time

During July 1972 it became clear that the government was on course to have their rents legislation on the statute book by the end of the month. This meant that in those boroughs where a final decision over implementation had yet to be made, there was a need for urgent action. The chief officers involved were fully aware of the implications: not only would their housing staff have to calculate the new rents, but they were also

¹⁰² *KI*, 3 August 1982, p. 4; 10 August 1982, p. 6.

¹⁰³ LBG, Agenda of Council Meeting, 11 October 1972, pp. 146–7, Report of Housing Committee, 3 August (Doc. 364).

¹⁰⁴ E. F. E. Jefferson, *The Woolwich Story 1890–1965* (London: Woolwich and District Antiquarian Society, 1970) pp. 17–18; *KI*, 10 August 1972, p. 11.

¹⁰⁵ LBC, Minutes of Council Meeting, 2 August 1972, pp. 552–5.

required by law to give each tenant at least four weeks' notice of the increase.¹⁰⁶ The view among officers around the boroughs was that the process of raising the rents would take staff between six and eight weeks to complete. As they would have to begin work on the rent increases as early in August as possible, it was desirable for a decision to implement to be made about the time that the Royal Assent was given, or at the latest during the second week of August.¹⁰⁷ There might also be uncertainty over the precise amount of the increase if this had not been settled with the DoE. Failing agreement, the officers would have to charge the full amount and make adjustments when negotiations with the DoE were completed.

Officers took the opportunity to point out the serious implications for councillors, both corporately and individually, if they failed to introduce the mandatory rent increases on time, including the strengthened default powers reserved to the Secretary of State. Members could also become liable for surcharge by the district auditor.¹⁰⁸ Lambeth's chief executive, Frank Dixon Ward, justified this advice by explaining the constitutional position of local authorities vis-à-vis the supremacy of Parliament, making a similar argument as the DoE's letter to Greenwich council.¹⁰⁹ He suggested that even members who abstained from voting might be liable to surcharge in certain circumstances.¹¹⁰

In Southwark, with its strict party discipline, the council's approval of implementation was never in doubt. As in Newham, and because rents had already been increased in October 1971, the council was only required to raise them in 1972 by 50 pence. Whilst drawing attention to the Newcastle amendment, the officers advised that it was doubtful whether it was relevant, as the council's rents were comparatively low compared with 'fair rents'.¹¹¹ At the crucial council meeting on the rent increases, the

¹⁰⁶ As in advice given by Brian Wilson, town clerk in LBC Council Minutes, 30 September 1971, p. 512g, Housing Committee Report.

¹⁰⁷ LBS, Agenda of Council Meeting, 30 August 1972, p. 135 and Doc. C.9/72-3 [undated]; LBH, Agenda of Special Council Meeting, 10 August 1972, Report of Chief Executive (etc) to Housing Management Committee, Policy Committee and Finance Committee, pp. 1 and 6; LBL, Housing Committee Minutes (5 June to 29 September 1972) copy letter dated 21 July 1972 from Chief Executive to 'All Members of the Council'.

¹⁰⁸ LBH, Agenda of Special Council Meeting, 10 August 1972, Report of Chief Executive (etc) to Housing Management Committee, Policy Committee and Finance Committee, pp. 3-5; LBL, Housing Committee Minutes (5 June to 29 September 1972) copy letter dated 21 July 1972 from chief executive to 'All Members of the Council'.

¹⁰⁹ LBL, Housing Committee Minutes (5 June to 29 September 1972) copy letter dated 21 July 1972 from Chief Executive to 'All Members of the Council'. According to a former councillor, Dixon Ward was an old fashioned type of town clerk (author's interview with Mary Leigh, 29 October 2012).

¹¹⁰ LBL, Housing Committee Minutes (5 June to 29 September 1972) copy letter dated 21 July 1972 from chief executive to 'All Members of the Council'.

¹¹¹ LBS, Agenda of Special Council Meeting, 30 August 1972, p. 135 and Doc. C.9/72-73.

officers' proposal of a 50 pence increase was agreed by the members.¹¹² The whips treated the vote as a matter of party discipline – as in Newham – and only two members rebelled.¹¹³ John Fowler voted against the recommendation and another member abstained.¹¹⁴ The latter later told the local press “I know that at heart all those people are against it but they fear a Housing Commissioner.”¹¹⁵ The council received a deputation from the local branch of the Association of London Housing Estates which complained about the lack of consultation with the public.¹¹⁶ The council leader, John O’Grady, justified the decision to implement by saying that it was the council’s intention to do the minimum necessary ‘to comply with the law’.¹¹⁷

Brent Council was in a position to take advantage of the Newcastle amendment. Its representatives succeeded in negotiating the initial rent increase down to 55 pence shortly before the council met to adopt the new Act.¹¹⁸ James Goudie, the housing chairman, made the case for compliance, although he suggested that this would not be in the “spirit which the Government intended it.”¹¹⁹ Invoking the terminology of Tony Crosland, he justified his stance by saying that it was ‘constructive opposition’ which had resulted in the council obtaining a reduction of 45 pence in the mandatory increase. In the same idiom, he argued that it would be ‘constructive opposition’ that could protect the interests of tenants, rather than leaving them to the mercy of a housing commissioner.¹²⁰ Goudie elaborated on his attitude to such an official by saying that “it would be an act of folly to allow this Tory creature into Brent,” a remark which the Conservative members found repellent.¹²¹ A motion to implement was approved by 22 votes to 15. The support for compliance was under-represented due to the Conservatives abstaining on the grounds that the motion contained criticisms of the government.¹²²

During July there was still uncertainty over the decisions to be made in Hackney and Lambeth. As time was pressing, the officers in Hackney took the initiative by requesting the council’s authority to raise rents as required under the new statute and

¹¹² LBS, Agenda of Special Council Meeting, 30 August 1972, p. 138.

¹¹³ *SLP*, 1 August 1972, p. 17, letter from W. Fletcher of Down Town Tenants Association. The member’s name was Councillor John Fowler.

¹¹⁴ The member abstaining was George Byfield.

¹¹⁵ *SLP*, 1 September 1972, p. 1.

¹¹⁶ LBS, Minutes of Special Council Meeting, 30 August 1972, p. 139.

¹¹⁷ *Ibid.*

¹¹⁸ *WBC*, 21 July 1972, p. 18; LBB, Minutes of Council Meeting, 2 August 1972, p. 148, Report of Housing Rents Sub-Committee.

¹¹⁹ *WBC*, 14 July 1972, p. 1.

¹²⁰ LBB, Minutes of Council Meeting, 2 August 1972, p. 147.

¹²¹ *WBC*, 4 August 1972, p. 1.

¹²² LBB, Minutes of Council Meeting, 2 August 1972, p. 147.

allow them to make the necessary staffing arrangements.¹²³ There was a serious split in the Labour group, but the course of events was flowing against the rebels, as those who had hoped for joint action by the boroughs came to accept that collaboration was unlikely. The crucial debate in Hackney town hall was tetchy, with leading councillors ranged against each other. As in Greenwich, there were two opposing motions, but both emanated from the two most senior members. It was the leader, Martin Ottolanguì, who put forward a motion that the council should take no action to implement the Act, while Ottolanguì's deputy, Alderman Sally Sherman, moved in favour of the counter argument that compliance was the lesser of two evils. Sally Sherman used the familiar argument that the tenants' interest would be served by councillors working for the return of a Labour government at the next election when the policy on rents would be overturned.¹²⁴ Alderman Lou Sherman (Sally's husband) backed this up by adding that there was no chance of winning against the government. Somewhat late in the day he explained, "If the Trade Union Movement were behind us there would be a chance, but Hackney Council standing alone will never be able to fight off the Act."¹²⁵ One member frankly admitted cowardice because the imposition of a surcharge could make him bankrupt.¹²⁶ These fears were probably more prevalent among Labour councillors around London than was openly admitted including in Camden. The problem was touched on by Joe Lobenstein. While generally supporting the Act, he criticised the penalties that could be levied on defaulting councillors, saying, "I believe people in public service should be able to act on their own views."¹²⁷ This type of criticism of the Act was unusual for a Conservative, but a possible explanation of Lobenstein's attitude is that he had only recently defected from the Liberal Party. In an attempt to mollify militant tenants, Lou Sherman among others pledged that he would not be party to evicting any tenant for withholding rent.

Voting during the division was close, with the official minutes recording that 27 members were for and 31 against the Ottolanguì motion opposing implementation, which accordingly was lost.¹²⁸ Following a request for a roll call with the names recorded in the official minutes, the figures were slightly different; 27 for the motion

¹²³ LBH, Agenda of Special Council Meeting, 10 August 1972, Report of chief executive (etc) to Housing Management Committee, Policy Committee and Finance Committee, p. 7.

¹²⁴ *HG*, 15 August 1972, p. 3.

¹²⁵ *Ibid.*

¹²⁶ *Ibid.* The member was Councillor Linzell.

¹²⁷ *HG*, 15 August 1972, p. 3.

¹²⁸ LBH, Minutes of Special Council Meeting, 10 August 1972, pp. 185-6.

and 33 against, giving those in favour of implementation a six-vote majority, as reported in the local press.¹²⁹

In Lambeth, where a vocal opponent of implementation was the vice-chairman of housing, Ken Livingstone, the housing committee reviewed the implications of the Bill in mid-July. By this time the council had persuaded the DoE to reduce the first rent increase to 55 pence. Its report to the council on the question of implementation was something of a fudge because it left the decision to the whole council membership.¹³⁰ When the full council met on 9 August to settle the issue, the group allowed a free vote on two motions. The first involved a ploy to levy an increase of £18,000 a week on an empty council house in Streatham equivalent to the average 55 pence across the housing stock settled with the DoE. The second motion was to implement the 55 pence increase in the conventional way in the event of the ploy being legally inadmissible. The leader, Charles Dryland, urged members to vote in favour of implementation to avoid being penalised, and both motions were approved with the rebels easily defeated on the second motion by 44 votes to 18.¹³¹ In retrospect, Ken Livingstone was annoyed that, as he put it, ‘Many members of the Labour Group who had initially agreed with the campaign of non-compliance had changed their minds at the preceding Group meeting.’¹³²

The leader writers of the *South London Press* thanked Lambeth council for providing the story of £18,000 a week on a council house during the silly season, as it seemed implausible that the device would succeed. In collaboration with the council, one of their tenants applied to the High Court to test the validity of the scheme to meet the requirements of the Act.¹³³ At the court hearing in mid-October, the DoE contested the scheme and the judge ruled against the ‘unreasonable’ rent on the Streatham house. The council leadership accepted the position and arranged for the rent increase to be levied across their housing stock.¹³⁴ The way that the Lambeth leadership handled the ploy at the eleventh hour shows that they wished to act within the law. Over a year

¹²⁹ LBH, Minutes of Special Council Meeting, 10 August 1972, pp. 185-6; *HG*, 15 August 1972, p. 3.

¹³⁰ LBL, Agenda of Council Meeting, 9 August 1972, Report of Housing Committee Meeting, 17 July 1972, pp. 144-5.

¹³¹ *SLP*, 11 August, 1972, p. 1. The minutes of this meeting have not been traced in Lambeth Archives. On further enquiry, an officer in Lambeth’s Government and Democracy Unit informed the author by email on 15 October 2013 that there are no minutes from the period kept in the town hall.

¹³² Ken Livingstone, *If Voting Changed Anything, They’d Abolish It* (London: Collins, 1987) p. 28.

¹³³ *SLP*, 15 August 1972, p. 1; 18 August, 1972, p. 10; *The Guardian*, 30 August 1972, p. 4; 13 October 1972, p. 7.

¹³⁴ *The Guardian*, 14 October 1972, p. 21.

earlier, in Camden, the idea of another loophole in the legislation to avoid the first mandatory rent increase was dreamt up as will be explained in Chapter Five.

We have seen in this second part of the chapter that the outcome of the hurriedly arranged meetings following enactment of the Housing Finance Bill was that five more boroughs – Brent, Greenwich, Hackney, Lambeth and Southwark – finally accepted that they would comply with the legislation. Alluding to the comment by a disillusioned Clay Cross councillor, it was a time when the word ‘reluctant’ was frequently used in council chambers.¹³⁵ As Newham and Islington had earlier agreed to implement the rent increases, Camden was the only borough in London holding out against the government by mid-August, because of a decision by Waltham Forest to reverse a policy of ignoring the Act.¹³⁶ The councillors in Greenwich were the first to decide to implement of the five, which is not what an impartial observer might have anticipated during the early summer. There were major splits in the Labour groups in Greenwich and Hackney, where there were divisions between leading councillors and the results were particularly close. In Greenwich the motion to implement the Act only succeeded with the support of the Conservatives. The rebels, supported by tenant organisations, marshalled strong arguments for a policy of defiance, but were ultimately unsuccessful in persuading their councils to follow the example of Camden. As the Conservatives were numerically in a weak position in all the boroughs, they could easily be out-voted in the council chamber even in Brent where they had the most significant membership. With the exception of the official opposition in Greenwich, they were unable to register an impact at divisions during debates in the council chamber. Generally, Conservative councillors avoided Labour motions in support of implementation where there was any criticism of the government.

It seems likely that the outcome of the meeting of the Labour Party local government conference on 8 July had a significant influence on Labour groups. It was clear that the Labour leaders from most of the major cities were persuaded that ‘constructive opposition’ was the best course of action. Leading borough councillors justified their actions with arguments similar to those provided in boroughs already committed to compliance. They considered that there was no longer any hope of achieving success in defying the government because of the lack of agreement between

¹³⁵ See review of David Skinner and Julia Langdon, *The Story of Clay Cross* (Nottingham: Spokesman Books, 1974) in Introduction.

¹³⁶ *HG*, 11 August 1972, p. 1.

Labour authorities on a coordinated approach. Although not always admitted, but perhaps decisive in some groups, there was in addition serious concern to avoid the risk of penal sanctions both against the council corporately and the councillors individually. These penalties were strengthened late in the parliamentary process by amendments to the Bill, and Whitehall was quick to remind reluctant councils of the serious consequences if they chose not to fulfil their legal obligations.

Conclusion

Between April and August 1972 all boroughs, except Camden, agreed to implement the Housing Finance Act. Opinion within all Labour groups was divided, with early signs of rebellion by the minority in favour of defying the government. In reaction to this threat, leading councillors in Newham and Islington led the way in pushing through resolutions authorising the mandatory rent increases. Other boroughs delayed making a final decision until after the legislation had been enacted, either because they were uncertain over the formation of a strategy, or because the party split went all the way up to the leadership. By the summer, the mood within most Labour groups had begun to move against ideas of confronting the government. There was a growing realisation that as hard-line opposition remained fragmented, there was little likelihood of boroughs working together to produce a defiant strategy with any hope of success. At the same time, Tony Crosland and others in the PLP influenced local politicians significantly in deciding that ‘constructive opposition’ was a credible alternative, as an abatement in the October rent increase could be ‘sold’ to tenants as a concession won from the government. Borough politicians in favour of compliance gave both positive and negative explanations for complying with the law, but stressed that they were doing so in the best interests of the tenants and the borough’s finances. As the deadline approached for a decision to introduce the first rent increases, the risk of penal sanctions loomed ever larger in many councillors’ minds. Nevertheless, there were serious splits in Labour groups in Greenwich and Hackney where the balance of opinion was particularly close and even the leading members held opposing views. Only in Greenwich were the Conservatives able to make an impact in the council chamber on the final outcome of the vote on implementation. Yet however much they were outnumbered, members of the minority group could be effective by asking penetrating

questions of the majority party and reminding them of the perils they faced if they refused to conform.

There are two other reasons for Labour members deciding to abandon ideas of rebellion. Party discipline would have had a significant effect in limiting or even suppressing open disobedience where a free vote was not allowed, as many members would have been loath to vote against the party line. This could be a vital consideration in Labour groups with strict discipline, as in Newham and Southwark, because members were likely to lose the party whip if they voted against their group's policy. In Camden, where there was a more tolerant attitude towards dissenters (i.e. Labour councillors who dissented from a group's policy of defying the government) a minority of members regularly voted against the group's defiant policy in 1972, as we will see in the next chapter.¹³⁷ A threat to a council's finances that might have had an impact on voting patterns was the Secretary of State's power to withdraw housing subsidies where an authority was in breach of its obligations under the Act. Inexplicably, apart from isolated warnings such as that given by Gerry Southgate in June, the threat does not appear to have featured in Labour members' reckonings despite reminders in officers' briefings and from some Conservative members. Labour groups seemed convinced that if thwarted over his 'fair rents' policy, Peter Walker would appoint a housing commissioner. Some members with a hard-line view were in favour of provoking him to do so with the aim of demonstrating to tenants that it was the government, rather than the Labour council, that was responsible for raising the rents. This view became central to Camden's defiant strategy, whereas the option which the Act afforded the Secretary of State to impose alternative sanctions was a feature of Whitehall's tactics in combating the rent rebellion there, as will be explained in the next chapter.

¹³⁷ In this thesis the term 'dissenters' is used for Labour councillors who dissented from a group's policy of defying the government over the 1972 and 1980 legislation to differentiate them from 'rebels' who adhered to a hard line in their opposition to implementation.

CHAPTER FIVE:

CAMDEN'S DEFIANCE OF THE HOUSING FINANCE ACT

Camden was unlike the other authorities selected for this research in that the council was wealthy in terms of rates income. Because of this, it contributed part of its income to the Greater London Rate Equalization Scheme, which was designed to redistribute rates from boroughs with a high income to the 'poorer' ones.¹ The other seven boroughs were among what were known as 'receiving' authorities. This is not to say that Camden did not have its housing problems, but it achieved an active housing programme in the 1960s and early 1970s.² The borough gained a reputation for being a progressive authority in terms of the design of its council housing.³ The architectural historian Mark Swenarton is of the view that this was very much a political statement by the borough which on its formation saw itself as 'the flagship of Labour authorities' in London.⁴ Although two of the constituent authorities, Holborn and Hampstead Metropolitan Boroughs, were Conservative-controlled in 1964, Camden had strong Labour roots in St Pancras which was the largest of the three. As mentioned in Chapter Two, the Labour-controlled council in the 1950s refused to raise council rents which resulted in the district auditor imposing surcharges on some of the councillors.⁵ The memories of this experience remained vivid for some of the Camden members in 1972.

This third chapter on the responses to the 'fair rents' legislation is devoted solely to Camden, because it was the council which mounted the strongest resistance in London. Yet it was not until March 1972 that the Labour group began to adopt a hard-line stance against the 'fair rents' legislation,⁶ eight months after publication of the White Paper (13 July 1971) and four months after the second reading of the Housing Finance Bill (15 November 1971). In the intervening period, the official group policy was to oppose the legislation through constitutional means, hence the way it expressed

¹ David Southron, 'Finance', in Gerald Rhodes (ed.) *The New Government of London: The First Five Years* (London: LSE/Weidenfeld & Nicolson, 1972) pp. 357–9. The other main contributors in 1971–2 were Westminster, the City of London and Kensington and Chelsea. The origins of the scheme can be traced to legislation following the Poplar rates rebellion.

² See Chapter Two, Table A and B, for new houses built and housing stock.

³ Miles Glendinning and Stefan Muthesius, *Tower Block: Modern Public Housing in England, Scotland, Wales and Northern Ireland* (New Haven: Yale University Press, 1994) p. 278.

⁴ Mark Swenarton, 'The Housing Programme of the London Borough of Camden under Sydney Cook 1965–73', www.architecture.com/EducationAndCareers/ModernArchitectureAndTownPlanning/MarkSwenarton accessed on 10 February 2014.

⁵ Peggy Duff, *Left, Left, Left: A Personal Account of Six Protest Campaigns, 1945–65* (London: Allison & Busby, 1971) pp. 89–93; Enid Wistrich, *Local Government Reorganisation: The First Years of Camden* (London: London Borough of Camden, 1972) p. 98.

⁶ *HHE*, 24 March 1972, p. 39.

its objections was not markedly different from the other Labour boroughs. The first part of the chapter describes how the Labour group moved from a constitutional form of opposition during the early stages of the draft legislation to adopting a hard-line approach; how the group continued to defy the government over the 1972 rent increases and initially managed to withstand the pressure exerted by Whitehall; and finally how the Labour group reversed its policy in January 1973. The second part explores the nature of splits that occurred within the Labour group over the strategy to adopt in opposing the legislative changes. It also reviews the role played by local Conservatives as the minority party on the council in supporting the government's rents policy.

5.1: POLITICAL BATTLE WITH THE GOVERNMENT

The left-wing MP for St Pancras North, Albert 'Jock' Stallard, who was also an alderman, assumed the role of taking the fight to Parliament, pledging to oppose every detail of the Bill, though he admitted there were limits to what could be achieved.⁷ But there were early signs that a section of the Labour group wanted to go further than conventional forms of protest. Perhaps encouraged by the success achieved against the 'Milk Bill', some members of the housing committee sought to exploit what they hoped was a loophole in the government's rent policy, by means of what Piers Wauchope describes as 'a cunning plan'.⁸ Their idea was to reduce all council rents by a pound a week on 30 September 1971 and, as soon as possible thereafter, raise them again by a similar amount.⁹ The proponents of the scheme hoped that this ploy would meet the technicalities of the mandatory rent increases, while in effect freezing the rents for two years.¹⁰ It became known as the 'yo-yo' or 'see-saw' rent plan and received committee approval on 23 September, despite the misgivings of its moderate chairman, Corin Hughes-Stanton, and the leader, Millie Miller.¹¹ The town clerk, Brian Wilson, played a major role in scotching the proposal as will be explained later in this chapter. At an emergency meeting of the full council, the leadership withdrew the item from the agenda, but seven Labour members purposefully abstained from voting with the group

⁷ Later Baron Stallard of St Pancras, he was a long-serving councillor who took part in the St Pancras Rent Strike in the late 1950s and voted against rent increases in the mid-1960s, as explained in Chapter Two.

⁸ Piers Wauchope, *Camden: A Political History* (Tunbridge Wells: Shaw Books, 2010) pp. 79–80. The term was a catchphrase in the television series 'Blackadder'.

⁹ LBC, Council Minutes, 30 September 1971, p. 512e, Housing Committee Report, 23 September.

¹⁰ *CJ*, 24 September 1971, p. 1; *HHE*, 8 October 1971, p. 9.

¹¹ LBC, Council Minutes, 30 September 1971, p. 512c.

over retracting the plan.¹² Their radical leanings anticipated the change in the direction of the group's policy the following spring.

Rejecting the option of introducing a 50 pence increase in April as recommended in the White Paper, Camden made it known that they would only raise rents in October 1972 if the Bill had become law by then.¹³ It is clear from this statement that the majority of the Labour group were not yet contemplating outright defiance. Yet while Camden was officially pursuing a conformist approach in its response to the Bill, there were increasing calls for more militant action.

Camden declares non-implementation

The Labour group's official view moved decisively on 17 March 1972, when the group resolved to defy the government over implementing the unacceptable parts of the legislation, namely, those sections relating to rent increases.¹⁴ It is perhaps no coincidence that about this time the NEC issued advice which left the decision on opposing the legislation to each housing authority.¹⁵ The deputy leader, Peter Best, confirmed the policy shift at a full council meeting.¹⁶ The council issued a leaflet to its tenants explaining the government's proposals for introducing 'fair rents' and warning that there would be 'heavy increases'. It provided examples of the weekly rents currently paid for a council house compared with the 'fair rent' equivalent. Three of these comparisons on a before-and-after basis, were: current rents between £3.90 and £4.15 would be £6.15; the fair rent equivalent of £6.03 was £8.17; that of £13.59 was £21.51.¹⁷ Jock Stallard put down a question in the House of Commons drawing the attention of the Secretary of State, Peter Walker, to the high rents predicted in Camden's leaflet. He asked Walker to meet a deputation from the borough.¹⁸ It was almost four months before a meeting took place at the DoE, and, even then, Walker did not attend in person.

¹² LBC, Council Minutes, 30 September 1971, p. 512g; *CJ*, 8 October 1971, p. 2; *HHE*, 8 October 1971, p. 9. See Appendix 7.

¹³ LBC, Council Agenda, 9 February 1972, p. 162, Housing Committee Report, 31 January; Council Minutes, 9 February, p. 180.

¹⁴ *HHE*, 24 March 1972, p. 39.

¹⁵ Labour History Archive and Study Centre (LHASC) Labour Party Research Series, RD 299/March 1972, Opposition to the Housing Finance Bill; Housing and Finance Working Group Minutes and Papers (Nov. 1971–Mar. 1974) Labour Research Department, Information Paper 38, June 1972.

¹⁶ LBC, Council Minutes, 22 March 1972, p. 251. Peter Best chaired the Policy and Resources Committee which took over from Housing the leading role for major issues arising from the bill.

¹⁷ *HHE*, 28 April 1972, p. 11.

¹⁸ *Ibid.*

The policy and resources committee looked into the implications of the Bill and recommended the full council to refuse to impose the rent increases if and when they became mandatory. Nonetheless, the committee was broadly in favour of adopting the government's rent rebate scheme with some modifications.¹⁹ The council accepted the recommendation and passed a formal resolution 'that, in the event of the Housing Finance Bill becoming law, the Council will not impose so-called "fair rents" nor impose a rent increase of £1 per week'.²⁰ The officers pointed out that such a decision could only be provisional, because any resolution would need to be ratified when the legislation became law.²¹ The council instructed the officers to notify both the Camden public and all housing authorities in the country of their decision. They were not to do any work in preparation for an October rent increase, nor on the assessment of 'fair rents'.²² The officers wasted no time in arranging for an advertisement to appear in the local press the following week, setting out the decisions made by the council. It explained the intentions of the council in the following explicit terms:

Camden council is convinced that the government's 'fair rents' policy will lead to massive rent increases for both council and private tenants. So the council won't impose 'fair rents' and it won't put up council rents this year by £1 a week either – as the government is expected to require. And, what's more, it won't be making any of the necessary preparations for these steps to be taken.²³

In view of the provisional nature of the decision to defy the government, the unconditional terms in which this announcement was worded is surprising.

In a *Camden Journal* article, Councillor John Mills explained the Labour group's policy: he argued that councillors were being compelled to do the government's 'dirty work', yet they had been elected in 1971 on a manifesto which did not mention raising rents beyond the reach of working people. The crux of his argument was: 'The principle upon which we stand is that it is not right to treat housing as a marketable commodity. It should be viewed as a social service.'²⁴

When writing to the town clerk in July as part of the negotiations over the rent rebates, the DoE conceded that the rent level in the borough was 'exceptionally high'

¹⁹ LBC, Council Agenda, 3 May 1972, P and R Committee Report, 20 April, pp. 344–7.

²⁰ LBC, Council Minutes, 3 May 1972, pp. 345 and 373–5.

²¹ Ibid., p. 345.

²² Ibid., pp. 374–5.

²³ HHE, 12 May 1972, p. 9.

²⁴ CJ, 9 June 1972, p. 4. John Mills contends that the big problem currently facing housing policy-makers is the failure of the market to work well for the lower 30 to 40 per cent of people: author's interview with John Mills, 8 February 2013.

and proposed more generous rebates.²⁵ However, the Department's offer was conditional upon Camden imposing the rent increases stipulated in the Bill.²⁶ Boroughs faced a tight timetable to deal with outstanding business over rents, so the policy committee held special meetings as soon the Act was passed.²⁷ The committee met on 31 July and the full council two days later. Meanwhile, in response to an application under the Newcastle amendment, Whitehall officials notified Camden that they were prepared to reduce the October rent increase to 90 pence and were agreeable to certain concessions over the rent rebate scheme.²⁸

As soon as the Bill was enacted, the policy committee provided firm direction on strategy. It urged the full council to confirm its previous resolution against implementing 'fair rents', and to refuse to impose the October increase, even though it had been marginally reduced. Meanwhile, negotiations on the rent rebate scheme were progressing well with the DoE and a final settlement was in sight.²⁹ At the full council, the Labour leadership urged doubters to endorse the defiant motion. Peter Best argued that "the crunch revolves around the issue of integrity. In May, we voted for non-implementation and I have heard nothing since to justify a change of view".³⁰ The vote to continue defying the government was only narrowly won with an amendment which, in effect, invited the Secretary of State, in the absence of a U-turn on rent increases, to send in a commissioner.³¹ Councillor Geoffrey Bindman, a lawyer, in explaining the thinking behind this, said that:

It is not our intention to break the law. The Act lays down a clear alternative – either the council operates its provisions or the Government sends in a commissioner to take over the council's housing functions. We are passing the buck back to the Government and telling them to get on with their own dirty work in accordance with the procedure laid down under the Act.³²

Accentuating the party split, the housing chairman, Corin Hughes-Stanton, dissented from the group's official policy and voted in favour of implementation. In doing so, he fell foul of the leadership who shortly after the vote replaced him as chair.

²⁵ The average rents of the London boroughs are shown in Appendix 4.

²⁶ *CJ*, 14 July 1972, p. 1.

²⁷ LBC, Council Minutes, 19 July 1972, pp. 492 and 536.

²⁸ LBC, Council Minutes, 2 August 1972, P and R Committee Report, pp. 549–50.

²⁹ *Ibid.*

³⁰ *HHE*, 4 August 1972, pp. 1 and 28.

³¹ LBC, Council Minutes, 2 August 1972, pp. 554–5; *HHE*, 4 August 1972, pp. 1 and 28.

³² *HHE*, 4 August 1972, p. 1. Sir Geoffrey Bindman QC founded a legal aid centre in St Pancras in the 1960s and a firm of solicitors in the 1970s specialising in human rights.

The *Ham and High*, while generally supportive of the council's stand, suggested that it was 'both brave and foolish'. It claimed that Camden was the first council in the country to rebel against the new Act.³³ The leadership were now exploring uncharted territory with a group which was divided over strategy. As will be shown later, there was substantial support for implementation, but for the present the leadership were strongly in support of the majority view within the group that the council should continue with its fight with the government. What is unclear, however, is whether the aim of the strategy was to obtain concessions from Whitehall, to provoke the appointment of a housing commissioner to do the 'dirty work', or simply to continue with the struggle come what may.

Increasing Whitehall pressure

Camden held out against adopting the rent increases until January the following year. During the intervening five months it negotiated hard with the DoE, whose officials deployed tactics that combined carrot and stick, by offering rewards for compliance while threatening punishment for resistance. They pointed out the benefits of the Act, especially the fact that Camden would receive a larger subsidy, but added that this would be in jeopardy unless a decision was made to implement the Act. In menacing tones they explained that if the council persisted in its defiance, several remedies were available to the Secretary of State. These were not restricted to the Act, but included an application to the courts for an order of mandamus.³⁴ These threats did not seem to unsettle the council leadership.³⁵ By the end of the first week in September it was clear that Camden had not given its tenants the necessary four weeks' notice of a rent increase.³⁶ When the DoE turned down an application from Camden to build council housing on a politically sensitive development site close to Hampstead Heath, some Labour councillors interpreted the rejection as another device to put pressure on the borough.³⁷ One of the grounds that Whitehall gave for the refusal was that the 'fair rents' under the Act would be unacceptably high.³⁸ Labour councillors suspected that

³³ *HHE*, 4 August 1972, p. 6.

³⁴ *CJ*, 18 August 1972, p. 32. If granted, the outcome would be a court order requiring Camden to implement the Act.

³⁵ *Ibid.*, p. 32.

³⁶ *CJ*, 8 September 1972, p. 1.

³⁷ The site was at Branch Hill, NW3.

³⁸ *CJ*, 22 September 1972, p. 1. Peter Best had already given a warning that on newly built houses in the borough rents would reach £26 a week: *HHE*, 12 May 1972, p. 7.

this decision was politically motivated, and, at worst, the beginning of a ‘Crucify Camden campaign’.³⁹

Until mid-October the DoE adopted an informal approach in its dealings with the borough over the rent rebellion. A meeting was held on 23 August between the parliamentary under-secretary, Reginald Eyre, and a Camden deputation headed by Millie Miller and Peter Best. The council representatives explained their objection to ‘fair rents’ for council housing being fixed at the same level as those in the private sector; instead, they wanted them based on the ‘gross value’ basis.⁴⁰ Large increases would only lead to more rent arrears. They asked for a bigger reduction than 10 pence in the initial rent rise and sought further concessions on the rent rebate scheme.⁴¹ Of the issues raised at the meeting, the DoE subsequently showed a willingness to make minor concessions but adhered to a strict interpretation of the Act over the application of ‘fair rents’. The town clerk received a letter from Prime Minister Edward Heath, but it said little new. Referring to the meeting with Mr Eyre, Heath hinted at further concessions if the borough could justify them.⁴² Camden’s Conservative leader, Martin Morton, construed this as an offer to make a deal, which he suggested was what the Labour leadership wanted.⁴³ Yet Millie Miller maintained that the fight would go on to obtain the best deal for the tenants.⁴⁴

During September and early October Miller took on a prominent role as spokesperson for Camden in its defiant stand over the rents issue. Having forced Corin Hughes-Stanton to resign the housing chair over his dissent, the group replaced him with a strong supporter of non-implementation.⁴⁵ On Sunday 1 October Millie Miller addressed a protest rally in Trafalgar Square organised by a national tenant organisation that was preceded by a march of some 400 protestors from Camden Town. Like the demonstration four months earlier in Greenwich, it included tenant organisations, trade unionists and a band.⁴⁶ One would have expected a politician addressing a supportive crowd of activists to sound an optimistic note, and sure enough Miller assured her

³⁹ *CJ*, 22 September 1972, p. 1.

⁴⁰ LBC, Council Minutes, 11 October 1972, P and R Committee Report, pp. 647–8. The use of the ‘gross value’ basis for fixing rents was commonplace among London boroughs in the 1960s, as explained in Chapter Two.

⁴¹ LBC, Council Minutes, 11 October 1972, P and R Committee Report, pp. 647–8.

⁴² *CJ*, 15 September 1972, p. 32.

⁴³ *Ibid.*, p. 1.

⁴⁴ *HHE*, 15 September 1972, p. 1.

⁴⁵ *CJ*, 8 September 1972, p. 1; *HHE*, 8 September 1972, pp. 1 and 40; 20 October 1972, p. 38. The new chairman was Arthur Soutter.

⁴⁶ *CJ*, 6 October 1972, p. 36.

listeners that Camden was determined to continue with the fight. But she admitted that her Labour group was not “happy, safe, or secure” in its confrontation with the government.⁴⁷ She confessed that Camden felt isolated in its position as the only authority holding out in London and with few doing so elsewhere.⁴⁸ The next day at the Labour Party Annual Conference, Miller spoke in a debate on housing and defended Camden’s defiant stand. She told Conference:

I would not like you to think that Camden Labour Group wanted to give away its housing powers to any housing commissioner ... on any account whatsoever. But neither will we give away easily our own right to protect our council tenants and to save them from the worst excesses of the Housing Finance Act.⁴⁹

Correspondence with the DoE over rent rebates was nearing a conclusion acceptable to the council, but, in the negotiations over the first rent increase, the Department only moved marginally on their previous figure by offering to reduce it to 85 pence. The Secretary of State notified the council of his decision in a formal ‘direction’ which was intended to close the negotiations.⁵⁰ It was one of the items dealt with by the policy committee when members discussed the latest developments over the Act. They were unhappy with the initial increase of 85 pence, and recommended the full council to reject it. Instead, they proposed to send another deputation to Whitehall.⁵¹ Nonetheless, the committee announced that it wanted to recruit five officers to work on rents in the valuation section, but specified that they were solely to look into the ‘best method of assessment of fair rents and other allied research work’.⁵² This suggested that some preliminary investigations were being made but that the staff were not starting the main task of assessing the new rents. The proposal was endorsed by the full council, which confirmed that it wanted to negotiate further on the October increase.⁵³

The deputy leader, Peter Best took over from Millie Miller as the main spokesperson for the rent rebellion from the time that Camden was in breach of the Act. When the week for introducing the first mandatory rent increase passed and Camden gave no indication that it would reverse its rents policy, Julian Amery, the minister of housing and construction, wrote to council members to the effect that if they could offer

⁴⁷ *CJ*, 6 October 1972, p. 36. The *Ham and High* had somewhat different wording: *HHE*, 6 October 1972, p. 13.

⁴⁸ *Ibid.*

⁴⁹ The Labour Party, *Report of the Seventy First Annual Conference of the Labour Party 1972*, pp. 147–8.

⁵⁰ LBC, Council Agenda, 11 October 1972, pp. 653–4.

⁵¹ *Ibid.*, p. 647, P and R Committee Report.

⁵² LBC, Council Agenda, 11 October 1972, pp. 623–4, Staff and Management Services Committee Report; p. 649, P and R Committee Report.

⁵³ LBC, Council Minutes, 11 October 1972, p. 676–7.

an explanation why the council should not implement the Act, he was prepared to meet a deputation.⁵⁴ Separately, the DoE sent a firm letter to the town clerk warning that formal steps were being considered to pronounce the council in default of its obligations under the Act.⁵⁵ Peter Best mistakenly took this threat to mean that Peter Walker intended to appoint a commissioner to run the housing service. In a report to full council, the policy committee pointed out that although the government had made concessions over the rent rebate scheme, the basic principles of the Act remained. It wanted the council to press the Secretary of State to receive a deputation; also (unrealistically) to confirm that no rent increases would be imposed. If this was unacceptable to him, he should appoint a commissioner to do the job.⁵⁶ When the council met in emergency session the following day, it confirmed its position. Best declared: “We do not say there should never be rent increases ... but we reject the principle at the centre of this Act that local authority rents should be settled according to market forces. We will not put our tenants into the market place”.⁵⁷ The Conservatives retaliated by warning that delay in implementing the Act was harming the poorest tenants who could benefit from the new rent rebate scheme.⁵⁸

Although Peter Best repeatedly spoke in terms of a situation whereby the Secretary of State would appoint a housing commissioner, Walter Ulrich of the DoE declared that this was ‘not a facility available to the Council at their request as an alternative to their discharging their statutory duties.’⁵⁹ The second meeting at the DoE took place on 27 November with Mr Ulrich, as neither Peter Walker nor Julian Amery were prepared to make themselves available. This time Millie Miller was absent, and Best was accompanied by his committee vice-chairman and the opposition leader, Martin Morton.⁶⁰ Ulrich told them that the Secretary of State was likely to stop paying subsidy and arrange for a special audit which could result in any councillor responsible for the loss of rental income being surcharged.⁶¹ When Best insisted that the council’s position was unchanged, Ulrich warned of the consequences as his office would shortly issue the default order to which the council would have just 14 days to respond.

⁵⁴ *CJ*, 3 November 1972, p. 1.

⁵⁵ LBC, Council Agenda, 8 November 1972, p. 681, Report of B. H. Wilson, town clerk.

⁵⁶ LBC, Council Agenda, 8 November 1972, p. 682, P and R Committee Report, 7 November.

⁵⁷ *HHE*, 10 November 1972, p. 1.

⁵⁸ *HHE*, 10 November 1972, p. 1.

⁵⁹ LBC, Council Meeting Agenda, 11 December 1972, Appendix A.

⁶⁰ The Labour member attending was Brian Loughran, another stalwart rebel.

⁶¹ *HHE*, 1 December 1972, p. 1; *CJ*, 1 December 1972, p. 39; 8 December, p. 1.

As the *Ham and High* predicted in the title of a news report, ‘Rents battle nears finale’, the conflict between the council and the government was approaching its climax, but the rebellion was not yet over.⁶² True to Ulrich’s word, the DoE served the default order on 30 November, just three days after the meeting with Camden.⁶³ It provided a timetable for actions which it required to be undertaken by the council. Rent notices of the 85 pence increase were to be served by 22 December 1972, to take effect by the week of 19 January 1973; instructions were to be given to the council’s officers by 16 December for them to begin the task of calculating ‘fair rents’.⁶⁴

The council arranged to meet on 11 December. In briefing members, the officers found it difficult to predict exactly what the withdrawal of subsidies would be in money terms, but they suggested that the Secretary of State was likely to withhold a substantial amount to ensure that his action was effective. They warned that £3 million of subsidy was immediately vulnerable, as payment by the DoE was due by the end of the month. If not received, it could result in a loss of income which would require an increase in the rates of about 25 per cent to compensate. As to complying with the default order, Brian Wilson was worried about the tightness of the timetable, as there would be only nine working days between the council’s meeting and the deadline set by the DoE for preparing and sending out the rent increase notices.⁶⁵ Views within the Labour group on future policy appear to have been indecisive at this crucial time, so there was uncertainty over the outcome of the council meeting.

An impartial observer might have expected the Labour group to surrender at this juncture, but a majority were not yet prepared to do so. The policy committee recommended the full council to refuse to comply with the order, and the special council meeting, held the same evening, ratified this to the acclaim of tenants in the public gallery.⁶⁶ Brian Wilson warned members of the likely consequences of continuing with the rebellious action, as the council was now likely to receive just a fortnight’s notice of Peter Walker’s intentions. In the debate the Conservatives argued for implementation to avoid the risk of losing the subsidies. Peter Best claimed that there was nothing new in the risks that they faced and they did not affect the rightness

⁶² *HHE*, 1 December 1972, p. 1.

⁶³ The Council of the London Borough of Camden (Housing Default) Order 1972, Statutory Instrument, No. 1836; *CJ*, 8 December 1972, p. 1.

⁶⁴ LBC, Council Agenda, 11 December 1972, Appendix B.

⁶⁵ LBC, Council Agenda, 11 December 1972, pp. 800–1, Joint Report of the Town Clerk and Borough Treasurer.

⁶⁶ LBC, Council Minutes, 11 December 1972, pp. 804–5; *HHE*, 15 December 1972, p. 15.

of their decision.⁶⁷ Labour members discussed desperate ideas for combating government action, but abandoned them as they were unrealistic.⁶⁸ Meanwhile, Jock Stallard lobbied the Labour Party NEC to offer support for councillors who were fined or surcharged for their defiance. The NEC responded that although they were in favour of the reinstatement of disqualified members, they did not agree that any penalties should be repaid.⁶⁹

Just before the Christmas holiday, Peter Walker effectively sealed the fate of the rents rebellion. He wrote to say that he was contemplating axing the current year's housing subsidies, and gave Camden just three more weeks to come into line with the Act. This deadline was 10 January, which happened to be the date of next council meeting.⁷⁰ On Sunday 7 January 1973, 'fair rent' protestors held a march through the borough with an attendance estimated to be approaching 3000.⁷¹ Millie Miller, who spoke to the demonstrators, gave a strong hint that, in the light of the increasing government threats, the council might have to give in. Councillor Paddy O'Connor struck a more militant tone by telling the crowd, "Camden should not retreat. They can stuff their subsidies – we should still stand solid." But in telling marchers, "It is in your hands as tenants to refuse to pay the rents", he was anticipating that the council would give way to the government.⁷² This seemed a strong possibility as town hall officials and politicians were becoming alarmed that the subsidy payments were still outstanding.

The next day the Labour group decided conclusively to reverse its position.⁷³ This change in strategy fed through to the policy committee which advised the council to increase rents by 85 pence from 5 March 1973 (rather than 19 January as stipulated by the DoE), and also to authorise the officers to start work on the provisional list of 'fair rents'. Implementation was to be conditional upon the DoE paying all outstanding subsidies due to Camden.⁷⁴ There was obviously much agonising over the decision, and it is likely that Millie Miller anticipated the outcome two days earlier when speaking at the big demonstration. The committee recognised the isolated position of the borough

⁶⁷ LBC, Council Minutes, 11 December 1972, pp. 804–5; *HHE*, 15 December 1972, p. 15.

⁶⁸ *CJ*, 15 December 1972, p. 1.

⁶⁹ *HHE*, 22 December 1972, p. 32. In 1974 the Labour government acted similarly over the Clay Cross rebellion.

⁷⁰ *CJ*, 29 December 1972, p. 1.

⁷¹ *CJ*, 12 January 1973, p. 1.

⁷² *Ibid.*

⁷³ *CJ*, 19 January 1973, p. 1.

⁷⁴ LBC, Council Agenda, 10 January 1973, pp. 88–90, P and R Committee Report, 9 January 1973.

by minuting that ‘apart from Camden there are now only two authorities in England continuing not to implement the Act’. They concluded that:

The effect of losing the subsidies would be a weekly average rate increase per household of 80p, without rebate in most cases, or the serious reduction of other Council services. We know members of the Council are willing to make sacrifices individually but we cannot ask the people of Camden to accept either of these burdens, even on a principle of such importance to us.⁷⁵

Nonetheless, the committee noted – perhaps as consolation – that the council had extracted concessions from the DoE, especially improvements to the government’s rent rebate scheme, a reduction in the mandatory rent increase, and the delay of five months beyond October in implementing the first increase. Camden was to inform the public and the remaining rebel councils of the reasons for the decision.⁷⁶

Peter Best announced that his group was backing down at the full council meeting on 10 January. He made the formal committee recommendation on the grounds that the council had no alternative but to raise rents and in the division that ensued, the rebels were outvoted.⁷⁷ The Conservatives expressed a moderate degree of sympathy with the Labour members who had at last decided on a U-turn, but accused them of ‘leading its supporters and the tenants into an impasse’.⁷⁸ The *Camden Journal* commented, ‘Rather than lose Camden’s housing subsidies, the Labour group has decided to carry out the law ... this latest act in the Great Rents drama is as simple as that. Moreover, all this was predictable weeks ago when Whitehall played its trump card on subsidies.’⁷⁹ The *Ham and High* acknowledged that important concessions had been gained from the struggle, but that the outcome was inevitable because of government pressure.⁸⁰

As 5 March approached, when the 85 pence rent increase was to take effect, the campaign among tenant organisations for a rent strike gathered pace.⁸¹ The council announced that it would not evict any tenants who withheld the rent increase.⁸² The Conservatives were incensed by this new policy which Alderman Alan Greengross

⁷⁵ LBC, Council Agenda, 10 January 1973, pp. 88–90, P and R Committee Report, 9 January 1973.

⁷⁶ Ibid.

⁷⁷ *CJ*, 12 January 1973, p. 1. The Labour group elected Frank Dobson as deputy leader a few days earlier as his friend Peter Best stepped down to give more time to his paid employment: *CJ*, 12 January 1973, p. 10; author’s interview with Frank Dobson MP, 4 July 2012.

⁷⁸ *HHE*, 12 January 1973, pp. 1–2.

⁷⁹ *CJ*, 12 January 1973, p. 1.

⁸⁰ *HHE*, 12 January 1973, p. 10.

⁸¹ *CJ*, 2 March 1973, p. 44.

⁸² LBC, Council Agenda, 28 March 1973, pp. 231–2, Housing Committee Report, 6 March; Council Meeting, 28 March, p. 321.

called “dangerous and unworkable.”⁸³ After the Camden Action Committee estimated that the number of tenants withholding the increase was fewer than 10 per cent, the rent strike soon fizzled out.⁸⁴

It is unclear whether the main aim of the Labour leadership during 1972 was to obtain concessions from Whitehall, but they could reasonably claim that they had achieved some benefits for their tenants. The delay in introducing the first increase meant that the rents remained unaltered for five months beyond the prescribed week in October, resulting in a saving for each tenancy of £20. The council also negotiated improvements in the national rent rebate scheme. The leadership might claim credit for obtaining abatement of 15 pence in the initial increase, but it is doubtful if this was attributable to the council’s efforts. It was a marginal reduction and larger ones were obtained by London boroughs which wholly cooperated with Whitehall or put up only token opposition.

The focus of this first part of the chapter has been on the opposition to central government in which Camden’s stance hardened in the spring of 1972 when it made the decision in principle against implementation of the ‘rents bill’. During the summer, when opinion in the other Labour groups was tending to revert to a more conformist mode, the Camden leadership stood by its decision on the basis that it had been elected in 1971 on a policy of reasonable rents. In practical terms, it would be futile to introduce ‘fair rents’ which equated to those in the marketplace, because it would lead to an increase in rent arrears. When the council ratified its earlier decision on the Act becoming law, Labour members declared the reasoning behind the strategy of defiance. The Secretary of State could act on his reserve powers in the Act to appoint a housing commissioner to impose the rent increases and so demonstrate where the responsibility lay. During the autumn, when Camden was the lone borough in London waging its political battle, the leadership retained the support of the group. But all the while Whitehall was exerting increasing pressure as relations became more tense and the tactics used by ministers and officials more threatening. By November, when Peter Walker threatened to use his reserve power of withdrawing housing subsidies and his officials acted on this by withholding monies due, it signalled that the end of ‘the great rents drama’ was in sight.⁸⁵ While this was going on, a tussle was also taking place

⁸³ *CJ*, 6 April 1973, p. 8. Greengross became Conservative group leader in 1974.

⁸⁴ *CJ*, 13 April 1973, p. 8.

⁸⁵ *CJ*, 12 January 1973, p. 1.

within the Labour group over the appropriate form of opposition. In the next part of the chapter the events in Camden are examined in the light of internal party politics before an assessment is made of the Conservatives in their role as the opposition group on the council.

5.2: SPLIT IN LABOUR GROUP AND ROLE OF THE OPPOSITION⁸⁶

Although the members of Camden's majority group were at one in their loathing of the new legislation, different views emerged about the best strategy to resist it. For several months following publication of the White Paper, the leadership adopted an orthodox approach and carried the group with them in formulating criticisms of the government proposals. In this light the 'yo-yo' rent plan, although ill-conceived, can be viewed as being within the bounds of legality, because it attempted to exploit a loophole in the legislation. Camden, in collaboration with other boroughs, had only recently achieved just such a victory in frustrating the aims of the Heath Government over the Education (Milk) Act.⁸⁷ But the plan to circumvent the rent increases was a sign that there were more militant elements within the group. The new, younger members who devised the plan, failed to clear the policy with the Labour group before putting it to the housing committee.⁸⁸ The leadership persuaded Labour members to withdraw the item from the agenda before it went to the full council, but the decision to do so was contested. Six members, including four from the housing committee, abstained from the vote to indicate that they did not want to abandon the plan.⁸⁹ These members remained consistent in their support for trenchant opposition to 'fair rents' over the next 15 months.⁹⁰

Divergent views over strategy

While the leadership followed a constitutional approach in opposing the government, individual attitudes appeared to differ. The moderate Corin Hughes-Stanton advocated "a reasoned opposition to the Bill" in the belief that Labour could kill it "by argument alone", and that this could be achieved by lobbying the government.⁹¹ Millie Miller

⁸⁶ See Appendix 7 for voting record of Labour members.

⁸⁷ As explained in Chapter Three.

⁸⁸ *HHE*, 8 October 1971, p. 9.

⁸⁹ LBC, Council Minutes, 30 September 1971, p. 512g; *HHE*, 8 October 1971, p. 9.

⁹⁰ Although one of the six behind the yo-yo plan, John Keohane, died suddenly in March 1972: LBC, Council Minutes, 22 March 1972, p. 245.

⁹¹ *HHE*, 12 November 1971, p. 9.

adopted a firmer stance, accusing the Conservatives of waging a class war. She was responding to what she perceived as a new spirit in society, whereby people were prepared to stand up to government policies, as shown in grassroots campaigns against cuts in public expenditure.⁹²

In February 1972 a more defiant approach surfaced among Labour members when the *Camden Journal* ran a story that there was a serious split in the group. Peter Best, the deputy leader, was named as leading a militant faction, who were against implementation come what may.⁹³ Dick Collins, who was a tenant activist and councillor, raised the possibility of defiance when he argued they could defeat the government if they all stood firm.⁹⁴ It is unclear whether his appeal was directed at Camden councillors, or if he was advocating solidarity among Labour local authorities. Millie Miller favoured delaying a decision pending the meeting of London Labour boroughs in March (a line of action similar to that of John Cartwright in Greenwich).⁹⁵ At this juncture Miller wanted Camden to take on the government provided that the London boroughs agreed to do so together. However, she denied that there was a local split and was supported in this in a letter signed by 37 councillors.⁹⁶ At the Greater London Regional Council on 5 March, Camden's representatives gave the impression that they were in defiant mood by supporting a motion urging borough councils to defy the government.⁹⁷

It seems that the group decision on 17 March to adopt a policy of non-implementation was won on a vote of 26 to 6 with one abstention.⁹⁸ Now that a confrontational strategy was adopted, dissenters who held to a constitutional approach began to come out into the open. One of these, Brian Arnold, a new and independently minded member, was prepared to talk to the press.⁹⁹ His view was that outright defiance would be unhelpful to the tenants because it would provoke the government into appointing a housing commissioner. Arnold made some revealing observations about the motivations of his rebellious colleagues: whereas some were prepared to defy the

⁹² *HHE*, 12 November 1971, p. 9.

⁹³ *CJ*, 11 February 1972, p. 1.

⁹⁴ *CJ*, 18 February 1972, p. 2. Dick Collins was formerly a leader of the St Pancras Borough United Tenants Association which was involved in militant action against rent increases in the 1950s and early 1960s.

⁹⁵ *CJ*, 11 February 1972, p. 1.

⁹⁶ *CJ*, 18 February 1972, pp. 1 and 24.

⁹⁷ *CJ*, 10 March 1972, p. 28.

⁹⁸ *HHE*, 24 March 1972, p. 39.

⁹⁹ Brian Arnold is something of an enigma, serving only one term on Camden council.

government irrespective of the consequences, others had the limited aim of extracting major concessions from the Secretary of State to make the legislation palatable.¹⁰⁰

The policy committee adopted the group's new stance and asked the full council to refuse to impose 'fair rents' to avoid the 'massive' increases which would result. Unusually, the recommendation in its report included the words 'the majority of our committee ...', thus implying that there were dissenting Labour members.¹⁰¹ The council's acceptance of the hard-line policy was achieved on a free vote after a long debate, with the rebels' anger directed at all who favoured implementation.¹⁰² Brian Arnold, who argued that the only option was to implement the legislation, did not simply abstain with seven of his colleagues, but voted with the Conservatives against the official Labour motion.¹⁰³ The vote on the substantive motion to defy the government was approved by 37 votes to 13.¹⁰⁴ Over the next few weeks, there were rumours – similar to those circulating in Greenwich at that time – that a significant number of members of the Labour group had changed their minds over the rent increases.¹⁰⁵ Brian Wilson, the town clerk, warned them about the serious implications of voting against implementation as it could result in an overall surcharge of £22,000 each week until the rents were raised. But constituency parties were exerting political pressure on some councillors to stick to their guns.¹⁰⁶

From the time that the Act was passed, the views within the Labour group tended to polarise, leading to a major split between those members who held to an ideological position and those who advocated a pragmatic approach. On 2 August these opposing views received a public airing in the council chamber during a debate lasting three hours on whether the council should confirm its previous resolution in favour of defiance.¹⁰⁷ Although the meeting was held during the recess, 58 members attended, with 43 Labour and 13 Conservative members participating in the voting. As a failure to support implementation might lead to a member being exposed to various penalties, the town clerk was meticulous in recording the nine apologies for absence, which were greeted with derision from the opposition.¹⁰⁸ The main explanations that the seven

¹⁰⁰ *HHE*, 28 April 1972, p. 3.

¹⁰¹ LBC, Council Minutes, 3 May 1972, P and R Committee Report, p. 345.

¹⁰² LBC, Council Minutes, 3 May 1972, pp. 373–5; *CJ*, 12 May 1972, p. 2.

¹⁰³ LBC, Council Minutes, 3 May 1972, p. 375; *CJ*, 12 May 1972, p. 2.

¹⁰⁴ LBC, Council Minutes, 3 May 1972, p. 375.

¹⁰⁵ *CJ*, 30 June 1972, p. 40. For Greenwich, see Chapter Four.

¹⁰⁶ *CJ*, 23 June 1972, p. 36; 28 July 1972, p. 1.

¹⁰⁷ *HHE*, 4 August 1972, pp. 1 and 28.

¹⁰⁸ LBC, Council Minutes, 2 August 1972, p. 552; *CJ*, 4 August 1972, p. 1.

Labour and two Conservative councillors gave for not attending were prior engagements and absence on holiday.¹⁰⁹

Councillor Ernest Wistrich, supported by the housing chairman, Corin Hughes-Stanton, was the leading proponent of a compliant approach. Broadly speaking, the view of dissenters was similar to opinion expressed in other boroughs: it was in the best interests of the tenants to avoid the risk of the government appointing a commissioner. As there would be an opportunity to campaign for the return of a Labour government at the next general election, implementation need not be seen as an end to the fight against ‘fair rents’.¹¹⁰ Councillor Enid Wistrich pleaded for a sense of realism in this political battle, bearing in mind, as she put it, the ‘huge battalions’ of the government ranged against the borough’s ‘small army’. She believed that it was important for Camden to stay in control of its housing service so as to be able to frustrate the government’s objectives.¹¹¹ Her husband, Ernest, proposed the following motion:

Now that the Housing Finance Bill has been enacted, the Council, while bitterly opposed to its provisions, is not prepared to relinquish its housing powers to the tender mercies of the Housing Commissioner, and is anxious to continue its policy of avoiding eviction and protecting Council tenants. It therefore resolves to implement the Act, and to take every legal step to minimise hardship which will flow from the legislation.¹¹²

The Conservatives abstained from voting on the Wistrich amendment, which was lost by 13 to 30. The Labour dissenters went on to vote against the recommendation to continue to defy the government. Finally, the division on the substantive motion to continue to confirm the May resolution to defy the government was carried by a narrow margin of four votes (30 to 26), with as many as 13 Labour members voting with the Conservatives. There were no abstentions this time.¹¹³ A feature of the Labour split was that only three of the nine chairs of committees voted in favour of continuing defiance.¹¹⁴ Two chairs were absent and Hughes-Stanton and two others voted with the Conservatives.¹¹⁵ At subsequent meetings, the six chairs who refused to support continued defiance on that evening, remained committed to introducing the rent

¹⁰⁹ LBC, Council Minutes, 2 August 1972, p. 552. Councillor Tessa Jowell, who later became a government minister, offered to produce a doctor’s certificate to explain her absence.

¹¹⁰ *HHE*, 4 August 1972, pp. 1 and 28.

¹¹¹ See Chapter One for mention of the contribution of Wistrich to the literature on Camden.

¹¹² LBC, Council Minutes, 2 August 1972, p. 553.

¹¹³ *Ibid.*, p. 550, P and R Committee Report, 31 July; Council Minutes, 2 August 1972, p. 555. See Appendix 7.

¹¹⁴ The chairmen supporting continued defiance were Peter Best, Frank Dobson and Roy Shaw. Dobson and Shaw were in turn to become leaders of the council later in the 1970s.

¹¹⁵ *CJ*, 4 August 1972, p. 1. Information on committee chairs at the time: LBC, Council Agenda, 19 July 1972, pp. 408–84.

increases. Some of Labour's dissenting councillors explained that they wished to avoid the risk of being surcharged. One mentioned the dire implications for his family of a financial penalty when he admitted his fears: "I can't face this, and though I will be doing what makes me sick I will walk into the Tory lobby".¹¹⁶ The memories of earlier clashes with Whitehall over rents policy were no doubt strong in the minds of long-serving members.¹¹⁷ To this day Frank Dobson has no doubt that the rebellion was a worrying time for Labour members.¹¹⁸

The *Ham and High* provided a brief analysis of the split in the Labour ranks, in which it said of those voting for implementation:

The Labour dissidents fall into two groups. There are those who firmly believe that the council ought to remain in control of its huge housing department in order to protect its 21,000 tenants from the worst aspects of the Act. And there are those who openly fear the eventual possibility of being surcharged to the tune of thousands of pounds each – as well as being banned from being councillors – for failing to obey the Government's instructions.¹¹⁹

In view of the slender majority of councillors in favour of defiance, expectations for the rebellion continuing cannot have been high, but at the next three council meetings support held up for continuing the confrontation with the government. Significantly, it was accompanied by a high level of absenteeism and abstentions among Labour members, whom, we may surmise, were opposed to, or lukewarm about, the official line.¹²⁰ It suggests that certain councillors avoided taking an active part in meetings, either to avoid confrontation with their militant colleagues or out of respect for the group's official line, while also protecting themselves against the risk of surcharge. There was a particularly low attendance in November when seven of the Labour dissenters who had voted with the Conservatives in August stayed away.¹²¹ The outcome boosted the Labour majority, with the result of the voting being 28 to 20. Six of their number sided with the Conservatives, but this time there were only three abstentions. Four of the absentees put it on record that they would have voted in favour of implementation.¹²² The deliberations at the group meeting in early December were

¹¹⁶ *HHE*, 4 August 1972, p. 28. The wording differs slightly in *CJ*, 4 August 1972, p. 1. The councillor was John Carrier.

¹¹⁷ See Chapter Two.

¹¹⁸ Author's interview with Frank Dobson MP, 4 July 2012.

¹¹⁹ *HHE*, 4 August 1972, p. 6.

¹²⁰ See Appendix 7.

¹²¹ LBC, Council Minutes, 11 October 1972, pp. 677–8.

¹²² LBC, Council Minutes, 8 November 1972, p. 684.

inconclusive, so there was uncertainty over the outcome at full council. In pinpointing the significance of absenteeism, the *Ham and High* surmised that,

the crucial factor now is likely to be the group of Labour members who have consistently been absent from divisions for various reasons. If they all came back and voted where their sympathies are thought to lie, it would swing the vote in favour of a reluctant implementation of the Act.¹²³

In the event, the level of absenteeism at the December meeting remained fairly high. There was a majority of just four votes in support of the motion to refuse to comply with the order issued by the Secretary of State (28 votes to 24),¹¹ Labour members voting with the Conservatives and two abstaining.¹²⁴ When quizzed about the closeness of the result, Millie Miller explained that it was a free vote and no one was put under pressure over how they voted.¹²⁵ Yet this tolerance did not seem to extend to Hampstead Labour Party, as one of its members, Enid Wistrich, claimed that she was under threat of deselection as a candidate for the 1973 GLC elections on account of her voting record.¹²⁶

In January, when the Labour group decided to reverse its policy, the diehard rebels took on an oppositional role, with 17 of them voting against the U-turn while 32 members reluctantly supported it.¹²⁷ There followed some last ditch resistance from rebels, who forced a long debate at full council. But Millie Miller stressed the seriousness of the situation: the government was already withholding £3,500,000 due to Camden. Some diehards suggested that they could compensate for any loss of subsidy by withholding interest payments on central government loans and the rates precepts to the GLC, thus evoking shades of Poplarism. In defence of the new official policy, Peter Best made it clear that the council had no viable alternative because a refusal to increase council rents by 85 pence would only result in an equivalent rise in rates for all residents.¹²⁸ The final vote on the motion to implement the Act, which received the support of the Conservatives, was carried by 46 to 15 with a few abstentions, the most notable being Millie Miller.¹²⁹

¹²³ *HHE*, 8 December 1972, p. 1.

¹²⁴ LBC, Council Minutes, 11 December 1972, pp. 804–5; *CJ*, 15 December 1972, p. 1.

¹²⁵ *CJ*, 15 December 1972, p. 1.

¹²⁶ *CJ*, 29 December 1972, p. 1.

¹²⁷ *CJ*, 19 January 1973, pp. 1 and 10.

¹²⁸ *HHE*, 12 January 1973, pp. 1–2.

¹²⁹ LBC, Council Minutes, 10 January 1973, p. 109.

Local Conservatives play their part

The Conservative group on Camden council made the most of its meagre representation following the 1971 local elections. Alderman Martin Morton, who led them, had been leader of the council for a year when the Conservatives were in control until May 1971. He had been on St Pancras Council in the late 1950s, when Labour members had waged political battles over council rents. On Morton's own assessment, his approach to politics was pragmatic rather than doctrinaire.¹³⁰

During the council debate in February 1972, when Labour members criticised the Bill on numerous points, the Conservatives attempted to obstruct the attacks by forcing 16 divisions. Morton denounced Labour members for rejecting parts of the Bill while seeking to take advantage of the parts which they liked, thus wanting it both ways.¹³¹ He chided Labour members for considering council rents to be 'sacred', as he put it, in that they were prepared to pass the cost of subsidising them onto ratepayers, who included the poor living in privately rented accommodation.¹³² When Camden distributed the leaflet about the new rent levels, John Major contributed to Conservative attacks on the council, as he claimed that the information frightened vulnerable tenants. He pointed out that the leaflet quoted the full rents, but omitted to mention the new rebates.¹³³ At the time, Major was the Conservative parliamentary candidate for the safe Labour seat of St Pancras North, occupied by Jock Stallard, and he was to carry on an unrelenting campaign against Camden's rent and rates policies.¹³⁴

When the Bill was passing through its final stages in July, a Conservative member asked that respect be shown to all council members and staff exercising individual conscience over the issue of non-implementation. He did not want the council to 'encourage anyone to break the law', as Piers Wauchope puts it.¹³⁵ The majority party agreed that undue pressure should not be exerted on anyone. A motion was passed unanimously that the council would, 'neither actively encourage any individual to break or disregard the law nor discourage him from so doing if his conscience clearly will not allow him to observe it'.¹³⁶ As soon as the Bill was enacted, the Labour leadership made it clear to the officers that should a housing commissioner

¹³⁰ Author's interview with Martin Morton, 12 December 2012.

¹³¹ *CJ*, 18 February 1972, p. 2.

¹³² *CJ*, 25 February 1972, p. 8.

¹³³ *CJ*, 28 April 1972.

¹³⁴ John Major was no longer a Lambeth councillor: see Chapter One.

¹³⁵ Piers Wauchope, *Camden*, p. 82. The councillor was Huntley Spence.

¹³⁶ LBC, Council Minutes, 19 July 1972, p. 537.

be appointed, they must follow his orders; there would be no recriminations for doing so.¹³⁷

At the crucial council debate at the beginning of August, when the leadership was keen to ratify the earlier resolution to defy the government, the Conservatives sought to exploit the division in the Labour ranks. In opposition to the official Labour motion, they put forward an amendment that went so far as to concede that the Bill might not be entirely appropriate for Camden, but mentioned the inadvisability of allowing in a commissioner and risking the loss of subsidy.¹³⁸ It seems to have been worded partly to make it acceptable to Labour dissenters. The Conservative amendment succeeded in attracting support from three of them in the division, while four others abstained, although this Conservative amendment fell.

In October, when Peter Best appeared to be intent on provoking the Secretary of State into appointing a housing commissioner to introduce the rent increases, Martin Morton said that he hoped the Labour group would have a change of heart. He conceding that “even a Socialist council would be preferable to the appointment of a housing commissioner from outside”. Nevertheless, he was aware of the other remedies in the Act and warned that housing subsidies could be at risk.¹³⁹ Even so, according to the local press, Morton took it upon himself to lobby ministers to cut Camden’s housing subsidies as a quick way to resolve the issue, because the council would be unable to function without the funding.¹⁴⁰ Looking back on the events, Morton is of the view that the Labour leadership seemed to believe that ministers would never take penal action against the council. He recalls that at a meeting at the DoE, Peter Best presented a case that was like a scene from the film *Passport to Pimlico* and on the lines of “We are different. We are the Great Socialist Authority”.¹⁴¹ Morton believes that the aim of the Labour leadership’s strategy was not to obtain concessions from Whitehall, but to seek to embarrass the government.¹⁴²

John Major came close to gloating over the Camden leadership’s final defeat in an open letter to Millie Miller. He compared her leadership to that of the grand old

¹³⁷ LBC, Council Agenda, 2 August 1972, pp. 549–50, P and R Committee Report. The policy is in marked contrast to the approach of Clay Cross Labour group.

¹³⁸ *HHE*, 4 August 1972, p. 6.

¹³⁹ *HHE*, 20 October 1972, p. 1.

¹⁴⁰ *HHE*, 10 November 1972, p. 1; Piers Wauchope, *Camden*, p. 84. Martin Morton does not recall lobbying ministers in the way suggested: author’s interview with Martin Morton, 12 December 2012.

¹⁴¹ Probably the meeting of 27 November 1972. *Passport to Pimlico* was a 1940s Ealing comedy in which a district of London declared unilateral independence from the UK.

¹⁴² Author’s interview with Martin Morton, 12 December 2012.

Duke of York when marching his men up the hill and down again.¹⁴³ Miller responded obliquely by saying that the concern of Labour councillors was not only the first rent increase but also the long-term effects of the Act.¹⁴⁴

Brian Wilson played a key role in advising members on the implications for the council of pursuing a strategy of defiance. Although his experience was of a traditional town clerk under Conservative and Labour administrations with Hampstead Metropolitan Borough and Camden, he was prepared to take on the wider managerial role of a 1970s chief executive.¹⁴⁵ According to Frank Dobson, Wilson was generally “good value for money” as he had a firm grip on the machinery of local government and gave “straightforward and decent advice”.¹⁴⁶ Wilson reminded members of the events in St Pancras Council in 1962 and the legal circumstances which then gave rise to surcharge.¹⁴⁷ Later, as the Bill passed through its final stages in Parliament, he warned members of the legal implications of the course of action they were embarking upon in ‘clear and unequivocal’ terms.¹⁴⁸ He explained what types of action would make members vulnerable to surcharge, including the risk they ran from being absent from a crucial council meeting or abstaining from a vote which took place after the Act became law. He advised that in theory members who abstained from voting might be held liable if they intended to frustrate implementation; in practice, a district auditor would find it difficult to surcharge members who refrained from voting.¹⁴⁹ It is likely that members who wished to avoid the risk of surcharge, but did not want to vote against the Labour group’s official policy, would have drawn comfort from Wilson’s nuanced advice. This was probably a factor leading to the high level of absenteeism and abstentions between August and December 1972.

In this second part of the chapter, it has been explained that the split in the Labour group was broadly between those who followed the leadership’s line of argument and the minority of dissenters who favoured the Wistrich/Hughes-Stanton approach. Rather than appealing to members to follow the Labour Party’s customary constitutional approach in opposing the government, as in Greenwich, the dissenters tended to argue that it was in the best interests of the tenants to avoid provoking the

¹⁴³ *CJ*, 2 February 1973, p. 7; *HHE*, 2 February 1973, p. 31.

¹⁴⁴ *CJ*, 16 February 1973, p. 6.

¹⁴⁵ Brian Wilson, ‘Who would be a Chief Executive?’ *Public Administration*, vol. 53 (3) 1975, pp. 231–40.

¹⁴⁶ Author’s interview with Frank Dobson MP, 4 July 2012.

¹⁴⁷ LBC, Council Minutes, 30 September, 1972, p. 512f. St Pancras rents dispute: see Chapter Two.

¹⁴⁸ LBC, Council Minutes, 19 July, 1972, pp. 500–3, Appendices 1 and 2; 2 August, 1972, pp. 539–41.

¹⁴⁹ LBC, Council Minutes, 2 August, 1972, p. 541.

Secretary of State into appointing a commissioner. The overt objective of the group's policy was to do that very thing. As elsewhere, there were members who were against the group's official policy simply to avoid the risk of being surcharged. Labour members appear to have overlooked the fact that the Secretary of State was in a position to threaten Camden's financial position.

Conclusion

The Camden Labour group passed a resolution to defy the government over implementation of the 'fair rents' legislation in May 1972 and ratified this in August, shortly after Parliament passed the Housing Finance Act. From October 1972, the council was in breach of the Act and continued to be so until early 1973. The reasons why Camden in particular was a borough that rebelled and was able to keep to its strategy for several months can be attributed to a combination of factors: the council elected in 1971 included a high proportion of young members who were inexperienced in local politics; the borough's radical-activist political culture was well established; party discipline was reasonably liberal and allowed an unusual degree of freedom for a member to disagree openly with the group's policy; free votes were permitted at crucial times; Millie Miller encouraged the diverse members of the Labour group to gel satisfactorily so that there were no left-right tensions. The leadership's strategy of defying the government was prolonged by several of the dissidents absenting themselves from meetings or abstaining from monthly divisions during debates on the issue. Such action was effectively endorsed by the town clerk, Brian Wilson, when advising councillors that it was reasonably safe for them to do so.

The leadership's aims in defying the government for several months could be seen as ambivalent. When the council debated the rents issue in August, they explained that they were 'passing the buck' back to Peter Walker, because he had the power to appoint a housing commissioner to do his 'dirty work'. Yet the leadership continued to negotiate with the DoE over some important aspects of operating the Act: a reduction in the initial rent increase, the method of fixing the new rents and details of the rent rebate scheme. Although ministers did not give way on how 'fair rents' were to be assessed, they were prepared to make some concessions on the other points. For a while the Conservative members appeared hopeful that a compromise might be reached, but when

this seemed unlikely, they supported – or even encouraged – Peter Walker over his decision to withdraw subsidies.

The withdrawal of housing subsidies was the very weapon which the Conservative opposition seized on as being preferable to having a commissioner run the borough's housing service. Until then, they had warned the majority party that this form of redress was a possibility. As the official opposition in the council chamber, Martin Morton and his colleagues appear to have had some success in forcing divisions over controversial motions on rent increases and had a direct influence on the policy requiring respect be shown to all council members and staff exercising individual conscience over the non-implementation issue. Unlike in Greenwich, however, the Conservative group were never sufficient in number to 'swing' a vote in favour of implementation. It was a U-turn in official Labour group policy that achieved this.

It seems likely that the 'non-implementers' in the Labour group had differing priorities and that this extended to the leadership. Early in the rents dispute, there appeared to be two main motivations for the non-compliant strategy, which may be thought of as a difference between an idealistic and a pragmatic approach: adherents of the former were intent on defying the government irrespective of the consequences, whereas those who were inclined to the latter were seeking to extract major concessions from the Secretary of State to make the legislation more acceptable. From his public pronouncements, Peter Best appeared to be the mouthpiece for the unyielding position in his fixation with the appointment of a housing commissioner, only conceding defeat when his strategy failed. Hardliners, such as Best, were in favour of negotiations with the DoE because they wanted to provide some protection for the tenants in the event of the council losing control of the housing service to a DoE appointee. Millie Miller, on the other hand, displayed signs of holding a more cautious position than Best, so she may have been pushed further to the left than she found entirely comfortable. While Best seemed happy to adopt a confrontational attitude towards ministers, Miller admitted that the Labour group was uncomfortable over its fight with the government. When speaking at the Labour Party Annual Conference, she was defensive about the suggestion that the council was prepared to surrender its housing powers.

By the time that the Camden rents rebellion was over, the leadership had obtained some concessions for their tenants by achieving a delay of five months in implementing the first rent increase, negotiating a minor reduction in the rent as well as

improvements to the national rent rebate scheme. Nevertheless, they spectacularly failed in their primary objective of preventing the council from being forced to introduce the rent increases under the Act. In this the Camden leadership sorely misjudged the potential threat. It is also a little surprising that they continued with their struggle against the government when it should have been obvious that Peter Walker had played his 'trump card' by threatening to withdraw housing subsidies instead of appointing a commissioner.

The dissenters pleaded for the group to face up to the reality of Camden's situation in its political battle with a government armed with enormous powers. One of those powers was within a few months exercised to crush the rebellion. The consequences of the district auditor's interventions in St Pancras were a constant reminder of the threat. In contrast to the rebel councillors, the Wistrich/Hughes-Stanton faction wanted to keep a commissioner out of the borough because by staying in control of its housing department, the council would be in a position to continue with its progressive approach to housing management. It would have the opportunity to frustrate the government's objectives when fixing the level of 'fair rents'. This would be a form of passive resistance. Camden and other Labour groups were later to adopt this strategy when opposing the Right to Buy legislation. The effectiveness of passive resistance will be examined in the next group of three chapters.

CHAPTER SIX:

RELUCTANCE TO ACCEPT THE RIGHT TO BUY

As soon as the first Thatcher Government came to power in 1979, Michael Heseltine announced that he would immediately act on the Conservative Party's mandate for council house sales. He arranged for his department (the DoE) to notify local authorities about the government plans for the Right to Buy and that from 21 May they were lifting the partial restrictions introduced by the previous government. The housing minister in Heseltine's department was John Stanley, who had been in favour of forcing Labour councils to break up their estates when working at the Conservative Research Department.¹ He was to enjoy his role as the Right to Buy enforcer. Predictably, the Labour boroughs reacted with various degrees of hostility to the DoE announcement. Southwark's long-serving housing chairman, Charles Sawyer, told the local press that his council would oppose the government's scheme, "by tactical means as far as possible." Yet he admitted, "We're not the kind of council that goes out on its own and defies Government policy. All we can really do is make rude remarks."² In contrast, Camden's new housing chairman, Ken Livingstone, was soon talking in militant terms: "We as a Labour council dedicate ourselves to one thing, obstructing reactionary policies and bringing down the Tory Government."³ He favoured defying mandatory sales and anticipated, "a long drawn-out struggle". Meanwhile Lambeth staff erected a sign in their housing aid centre (a proud achievement of John Major when in the housing chair) saying 'Not for sale – Lambeth is not selling council houses'.⁴ But Sawyer's conformist approach was likely to predominate around the boroughs in circumstances which differed in several respects from those prevailing in 1972.

This chapter spans a period of 18 months from the spring of 1979 when Heseltine announced the government's plans for house sales, until autumn the following year when all the boroughs except Greenwich agreed to operate the Right to Buy. It relates to a pre-implementation phase of the scheme that may be compared with the build-up to the Housing Finance Act covered in Chapters Three and Four. The reason for the briefer treatment here is that while controversial, the introduction of the new policy did not create a storm of protests as in 1971–2 and there was virtually no external

¹ Aled Davies, "Right to Buy": The Development of a Conservative Housing Policy', *Contemporary British History*, vol. 27, no. 4 (2013) p. 435.

² *SLP*, 25 May 1979, p. 2.

³ *HHE*, 22 June 1979, p. 10.

⁴ *SLP*, 25 May 1979, p. 2.

pressure on Labour councillors to resist it. Councils, already preoccupied with financial burdens imposed by the government, were not inclined to collaborate over resistance and, with one notable exception among the boroughs, made no serious attempts at outright defiance. As the nature of the legislation presented possibilities for councils to obstruct the government's intentions once implementation was under way, Chapter Seven is devoted to the years immediately following the current one.

6.1: REACTIONS TO THE LEGISLATION

The government did not issue a White Paper for the Right to Buy legislation, but Michael Heseltine arranged for his department to conduct a brief, somewhat perfunctory consultation with local authority associations in the autumn of 1979. The first part of this chapter examines the boroughs' responses to the government proposals and the ensuing Housing Bill, and traces the development of debates on the controversial issue. It describes the tactics local Conservatives adopted to give advance publicity for the scheme and touches on the various expectations of the popularity of buying a council house. The second part of the chapter describes how seven boroughs in turn decided to adopt the government scheme and the plans they made to handle sales.

Whitehall's hurried consultation on the government scheme

As eight years earlier following the announcement of the change in rents policy, there was a battle of words on each side of the council chamber. But in 1979 the Conservatives found it a favourable time to promote the Right to Buy as it promised to be popular with tenants, although it took some time for Labour members to recognise its political advantages. Islington's leadership, under Gerry Southgate, responded to Heseltine's early announcement on the Right to Buy, letting him know that they opposed council house sales by writing to his department:

Our position is quite clear. We await with interest the new Bill promised by the Secretary of State. When we see it, we will respond to it. But meanwhile our pledge to the people of Islington remains firm. As long as they have any say in the matter we will most certainly not sell any of our council houses or flats.⁵

Meanwhile, local Conservative politicians were encouraged to raise the issue of voluntary sales and censure Labour groups for not acting on the change in policy. At

⁵ *IG*, 25 May 1979, p. 6.

Camden council's first ordinary meeting after the general election, Councillor Tony Kerpel, a politician in the Thatcherite mould, put forward a motion in somewhat facetious terms: 'This Council, noting that the Government has adopted the main tenets of the Camden Conservative Manifesto for the May 1978 council elections, resolves to implement as quickly as possible the policy of selling Council houses ...' Predictably, the motion was defeated.⁶ In some boroughs, Conservative organisations invited interested tenants to let them know that they were interested in purchasing, so that they could record their names. The Conservative MP for Brent North, Rhodes Boyson, who was a member of the right-wing National Association for Freedom,⁷ wanted local council tenants to be made aware of the government's plans to introduce legislation that would force Brent to sell. As early as June 1979 Boyson reported that tenants were contacting him on the issue, and the local Conservative party began compiling a list of their names.⁸ In Lambeth, local Conservatives complained when the council's newspaper, *Lambeth Local*, included an article promoting Labour's opposition to the government's plans for the Right to Buy. In retaliation they distributed their own leaflet containing a form which tenants could return to the opposition housing spokesperson, to record their interest in buying.⁹ According to the *South London Press*, 150 replies were sent to the Party within a fortnight of the leaflet being circulated.¹⁰

While the Housing Bill was being drafted, the DoE carried out a brief consultation on the government's proposals, which included a local authority tenants' charter as well as the statutory Right to Buy.¹¹ It did so by contacting the local authority associations, including the Association of Metropolitan Authorities (AMA) – the successor to the AMC – requesting comments. In turn, the AMA wrote to local councils on 18 October asking for comments by the end of the month to enable it to prepare a coordinated response to meet the DoE deadline, which was 16 November.¹² Local authorities complained that they were not allowed long enough for a proper response, although Camden's leader, Roy Shaw, wryly commented, "it won't matter a damn

⁶ *CJ*, 22 June 1979, p. 3.

⁷ Richard Vinen, *Thatcher's Britain: The Politics and Social Upheaval of the 1980s* (London: Simon & Schuster, 2009) p. 83.

⁸ *WBC*, 15 June 1979, p. 4; 6 July 1979, p. 1.

⁹ *SLP*, 29 August 1979, p. 20. The Conservative councillor was Graham Pycock.

¹⁰ *SLP*, 29 August 1979, p. 20

¹¹ TNA, HLG 29/2181.

¹² Newham negotiated an extension: LBN, Town Planning and Housing Committee Minutes, October–December 1979, letter of 23 October 1979 from chief executive to committee members.

anyhow what we decide, because this Bill has already been drafted.”¹³ Nevertheless, Camden and three other boroughs, Brent, Newham and Southwark, met in committee, or in full session, to debate the government’s proposals. In Greenwich, Jim Gillman, chairman of housing, claimed that it would be impossible to fit the item into the council’s cycle of committee meetings, so he dealt with the response under the authority delegated to him.¹⁴

Brent and Camden made the most comprehensive responses, which probably represented the views of other Labour groups. Several of their arguments were expressed in similar wording – in some instances virtually identical – which suggests that leading councillors and officers in the different boroughs used the same source for their material.¹⁵ Camden’s report was jointly written by councillors Roy Shaw, John Mills and Ken Livingstone; in Brent, the left-wing Jon Mordecai, housing committee chairman, undertook the task.¹⁶ Separately, Brent and Camden told the DoE that they deplored the government’s scheme for council house sales; both asserted that for many years they had supported owner-occupation by providing mortgages, but that they also recognised the needs of people whose only choice was rented accommodation.¹⁷ The two boroughs made some general criticisms of the proposals: the Right to Buy scheme would affect the quantity and quality of council housing adversely, because tenants of the better type of house (as distinct from flats) were more likely to apply; it would mean people on the waiting list having to wait longer to be rehoused and with less choice of accommodation; it would lead to unfairness because tenants who bought a property could claim income tax relief on the payment of mortgage interest.¹⁸ As private lettings were to be excluded from the scheme, it discriminated against tenants in that sector; similarly, it was biased against local authority landlords. There were serious implications for the future management and redevelopment of estates, due to the

¹³ *CJ*, 16 November 1979, p. 11; *HHE*, 16 November 1979, p. 10. Even Wandsworth council, which was controlled by radical right-wing Conservatives, complained about the minimal time allowed for a response: TNA, HLG 29/2181, letter of 21 November 1979 from Sonya Driver, chairman, Wandsworth housing committee to Michael Heseltine.

¹⁴ See Chapter Eight. LBG, Housing Committee Agenda, 22 November 1979, p. B11–12 (Doc. 1237).

¹⁵ LBB, Council Minutes, 7 November 1979, Housing Committee Report, pp. 445–7; LBC, Council Agenda (Special Meeting) 8 November 1979, p. 486. The source upon which these reports were based has not been traced.

¹⁶ LBC, Council Agenda (Special Meeting) 8 November 1979, p. 486; *CJ*, 16 November 1979, p. 11; LBB, Council Minutes, 7 November 1979, Housing Committee Report, 7 November [same evening], p. 446.

¹⁷ LBC, Council Agenda (Special Meeting) 8 November 1979, p. 486; LBB, Council Minutes, 7 November 1979, Housing Committee Report, 7 November, p. 446.

¹⁸ LBB, Council Minutes, 7 November 1979, Housing Committee Report, 7 November pp. 445–7; LBC, Council Agenda (Special Meeting) 8 November 1979, p. 486.

fragmentation of a council's ownership. And as the legislation was to be mandatory, it had serious implications for local autonomy.

Brent and Camden made other criticisms on financial grounds, especially over selling publicly funded property too cheaply through over-generous discounts. Receipts from the sale of houses would fall considerably short of the cost of replacing them, leading to deficits for authorities.¹⁹ There would be extra staff costs involved in operating the scheme, but there was no provision for recharging tenant-purchasers. It seemed financially imprudent to give purchasers the automatic right to a council mortgage, because, in the event of foreclosure, the authority would have to rehouse the former tenant. Camden concluded its submission by urging the government to,

think again before embarking on a course of action which is costly, inequitable and retrogressive, and which could undo the work of half a century in building up a public sector housing service in this country which, for all its faults, is one of the best in the world.²⁰

In the council chamber, the housing chairman, Ken Livingstone, stressed that a council house was the only affordable option for many people: "This Bill would replace a policy of allocation on a basis of need by one of allocation by what you can afford". He also raised doubts about whether a purchaser would have sufficient income to pay for maintaining a home, especially the cost of repairs to defective tower blocks.²¹

The Conservatives in Brent and Camden countered some of the Labour critiques. The Camden group, under Julian Tobin, conceded that the government's proposals were likely to result in a housing stock comprising the less popular accommodation. But they went on to argue that with fewer buildings to manage, the council would be in a better position to concentrate on much-needed estate improvements. They held that Camden's tenants were *currently* disadvantaged by the low standard of maintenance of its estates and the lack of opportunity for mobility. They disagreed that private tenants should be given the Right to Buy, because it would amount to the confiscation of private property, an objection which did not apply to publicly funded housing. More provocatively, the Conservatives asserted that the council could not complain about a reduction in its autonomy in view of the irresponsibility demonstrated by the Labour group while in control.²² One of the

¹⁹ LBC, Council Agenda (Special Meeting) 8 November 1979, p. 486.

²⁰ Ibid., p. 489.

²¹ *CJ*, 16 November 1979, p. 11.

²² Ibid.

Conservatives, described Labour councillors as ‘Feudal barons’ who were ‘hell-bent on keeping their power over council tenants.’²³ Opposing Labour’s disapproval of the Right to Buy on financial grounds, the Conservatives made the following rebuttal: the level of discounts was not excessive, because the ‘basic discount’ of one-third of the valuation was equivalent to the reduction allowed in the price of a property when private landlords sold to a sitting tenant; also, sales would not mean a loss to the public purse when the savings on housing subsidies were taken into account.²⁴ In Brent, the opposition housing spokesman, Ron Dinsey, claimed that Labour was ignoring council tenants’ aspirations to buy their homes.²⁵

Meanwhile, the officers in Southwark provided a detailed report on the government’s proposals. There are indications that the director of housing, John O’Brien, who was particularly interested in the topic, had a significant input.²⁶ Some of the officers’ criticisms were similar to those in the reports initiated by Labour politicians in Brent and Camden, but with differences in emphasis. In Southwark, stress was placed on the aim of the government proposals to slim down the public sector, aided by generous discounts and exclusion of private sector tenants from the opportunity to purchase.²⁷ They anticipated that flats would be less popular to buyers not only due to their design, but also to the level of service charges purchasers would have to pay. Council rents in Southwark were relatively low, as they only just covered the cost of maintenance and management. Accordingly, in a block of flats where the service costs were likely to be high, a prospective purchaser would be faced with paying, in addition to the monthly mortgage repayment, a service charge little lower than the current rent.²⁸ As a tenant of a *house* would be in a relatively advantageous position, there were significant financial implications for a tenant who could move from a flat to a house. This would present housing officers with difficult decisions over transfers between the two types of property.²⁹ Despite being largely critical of the proposals, the Southwark officers were unusual in mentioning that the borough would benefit to a degree from the scheme. They suggested that in inner-city districts, where

²³ *CJ*, 16 November 1979, p. 11. Piers Wauchope has identified the Conservative councillor as Tony Kerpel: Piers Wauchope, *Camden: A Political History* (Tunbridge Wells: Shaw Books, 2010) p. 116.

²⁴ *CJ*, 16 November 1979, p. 11.

²⁵ *WBC*, 9 November 1979, p. 3.

²⁶ LBS, Council Agenda, 5 December 1979, Housing Committee Report, 7 November, Appendix: ‘Housing Bill – Consultation Paper’, pp. 174–83; John O’Brien, ‘Giving Tenants the Right to Buy’, *Chartered Surveyor*, May 1980.

²⁷ LBS, Council Agenda, 5 December 1979, Housing Committee Report, 7 November, Appendix: ‘Housing Bill – Consultation Paper’, p. 176.

²⁸ *Ibid.*, pp. 175–6.

²⁹ *Ibid.*, p. 179.

there was a shortage of private homes on the market, the option in the Bill to buy was likely to encourage tenants to remain as owner-occupiers, leading, as the officers put it to, ‘more stable communities ... with a more even spread of socio-economic groupings’.³⁰

The Newham housing committee recorded its opposition in principle to being forced to sell houses, but focused on some practical problems of operating the scheme.³¹ As in Brent, the councillors were concerned about the obligation for local authorities to grant mortgage loans to tenants seeking to buy and wanted local authorities to be given more discretion in assessing such factors as a tenant’s income, recurrent rent arrears and other debts. They wanted the deposit payable by a tenant to be raised and to be non-returnable to deter frivolous applications.³²

Islington’s response to the consultation was to pass a resolution opposing the government’s policy because,

it is not in the interests of the majority of tenants, those on the housing waiting list, tax payers and ratepayers and [this Council] declares that it will continue its present policy of not selling Council dwellings to sitting tenants, taking no steps to implement the proposals on the basis of the “Right to Buy” consultation document ...³³

This was a watered down version of a motion drafted by its sponsors, councillors Don Hoodless and Margaret Watson (later Hodge), which included a defiant statement that the council ‘declares that it will take no steps to implement’ the government’s policy.³⁴ It is reasonable to assume that the amendment was designed to make the motion acceptable to the Islington leadership and other moderates in the Labour group.³⁵ We have seen in Chapter Four that the leader, Gerry Southgate, consistently took a constitutional approach over opposition to the Housing Finance Act, because he held that measures should be implemented when they became law.³⁶ This was borne out in early 1980 when Islington, under pressure from Michael Heseltine, had to make

³⁰ LBS, Council Agenda, 5 December 1979, Housing Committee Report, 7 November, Appendix: ‘Housing Bill – Consultation Paper’, p. 175.

³¹ Newham pointed out the anomaly whereby the City of London Corporation would have been exempted from the scheme.

³² LBN, Council Agenda, 20 November 1979, Town Planning and Housing Committee Report, 31 October 1979, pp. 463–4; Council Minutes, 20 November, p. 487.

³³ LBI, Council Minutes, 7 December 1979, p. 473.

³⁴ LBI, Council Agenda, 4 December 1979, p. 398 (meeting deferred until 7 December).

³⁵ Neither Margaret Hodge nor David Hyams can recall the meeting. However, Hyams is sure that Gerry Southgate would not have countenanced ‘taking on’ the government over implementation: author’s interviews with David Hyams, 24 May 2012, and Margaret Hodge, 18 July 2012.

³⁶ Author’s interview with David Hyams, 24 May 2012.

important decisions over the financial cutbacks and Lambeth's Ted Knight was campaigning to try to persuade Labour councils to work together to fight the cuts.³⁷ Southgate made it clear that he would not contemplate any illegal manoeuvres: "It has been suggested that we take illegal and unconstitutional action. I am against that. I support political action within the law."³⁸ Neither Hackney nor Lambeth appear to have held a debate in public on the consultation document.

Although only a few weeks were allowed for consultation, the deadline set for responses no doubt concentrated local politicians' minds on a policy area which had received plenty of attention nationally. Labour councils were able to express their opinions, but most members probably realised that there was little likelihood of opponents persuading the government to make significant changes to the Right to Buy scheme as it was a central plank of the Conservative's legislative programme. This was recognised by Camden's Roy Shaw in his reference to a *fait accompli*.

The Housing Bill and tactics of Conservative groups

When the Housing Bill was published on 20 December 1979, there was little formal debate except in Brent, probably because of the discussions that had already taken place. In Hackney, there appears to have been no significant discussion in the council chamber on an officers' report on the broad implications of the Bill, and Camden, Islington and Lambeth held no public debate on it.³⁹ At the end of January 1980, Brent devoted a special meeting of the housing committee to discussing a comprehensive report, when the committee confirmed the points made during the consultation period. The committee instructed the officers to do nothing in preparation for the scheme until it became law, on the grounds that the Bill did not provide funding for administrative costs, and the council's financial position would not allow the expenditure. It also wanted the Environment Secretary to give local authorities the option of charging a tenant for an 'initial enquiry' about purchase.⁴⁰ Southwark's housing director, John O'Brien, reported on the differences between the Bill and the government's earlier proposals. Labour members were particularly concerned about the loss of the council's powers, complaining that, 'The erosion of autonomy is a major feature of the Bill and,

³⁷ See Chapter One.

³⁸ *IG*, 1 February 1980, p. 2.

³⁹ LBH, Council Agenda, 27 February 1980, Policy Committee Report, 6 February, pp. 612–13.

⁴⁰ LBB, Council Agenda, 30 January 1980, p. 706, Housing Committee Report (No. 2) 29 January; *WBC*, 1 February 1980, p. 16.

indeed, of other Government measures. The Secretary of State will assume wide powers to intervene in the housing policies and practices of local Government.’⁴¹

Newham publicised its opposition to the Right to Buy in a tenants’ leaflet and the council newsletter, *Newham Today*. It enlarged on the standard objections, namely that the scheme would benefit only a few tenants, deplete the better type of housing stock and be of limited interest to flat-dwellers. As a high proportion of private housing in the borough was substandard, a lot of people were likely to remain on the waiting list. The high cost of replacing properties sold under the scheme would have to be met by increasing rents and rates. The government’s claim that councils would raise vast sums from the sales was unlikely to be achieved because much of it would be absorbed by purchasers requiring council mortgage loans. With a smaller stock of houses with gardens, young people on the waiting list might move away from the borough, instead of accepting a Newham flat in the hope of moving to better council accommodation later.⁴²

Table D: Proportion of Houses and Flats in December 1978

	Brent	Camd.	South.	Green.	Hack.	Isling.	Lamb.	Newh.
(a)houses	3,949	no data	6,498	9,077	5,246	3,028	9,597	7,584
(b) other non-flats	5	no data	226	2,397	55	3,663	1,234	4,210
(c) sub-tot (a) + (b)	3,954		6,724	11,474	5,301	6,691	10,831	11,794
(d)Flats	16,018	no data	29,966	14,844	22,328	23,862	20,793	20,664
Total	19,972	30,006*	36,690	26,318	27,629	30,553	31,624	32,458
proportion of houses	19.8%		18.3%	43.6%	19.2%	21.9%	34.2%	36.3%

Source: Greater London Council, *1978 & 79 Annual Abstract of Greater London Statistics*, vol. 13/14 (London: GLC, 1980) Table H1 17.

*figure for March 1978

During the spring and summer of 1980, while the bill was slowly passing through the parliamentary committee stage, local councillors made predictions of the degree of interest by tenants desiring to buy. Some anticipated that there would be a considerable number, whereas others thought that take-up would be low. Local circumstances which contributed to these different opinions were the relative proportion of flats to houses in the council’s housing stock; the level of owner-occupation in the particular borough; the

⁴¹ LBS, Council Agenda, 5 March 1980, Committee Report, p. 318.

⁴² *Newham Today*, March 1980, p. 1; NR, 20 March 1980, p. 1.

current prices of residential property in the open market; and the experience of attempts to sell houses when the Conservatives were in power in the boroughs between 1968 and 1971 (as we have seen in Chapter Two, they sold few properties under voluntary schemes). The experience might have led some Labour councillors to assume there would only be a moderate interest this time. All the authorities had fewer houses than flats in their stock as shown in Table D, above. Nevertheless, in Greenwich, Lambeth and Newham the proportion of houses was over 30 per cent. Brent had several low density estates in outer-suburban areas, as did Greenwich.

When the Bill passed onto the statute book, the *Ham and High* ran an article predicting that there would be few buyers in Camden (and neighbouring Haringey) on account of the high proportion of flats and a Hampstead Conservative councillor agreed with this assessment.⁴³ For similar reasons, the officers in Hackney told the members there would be relatively little interest among tenants, because few had the income or fitted the profile of the typical first-time buyer.⁴⁴ In large areas of Hackney, there had never been much interest in owner-occupation; nor in the inner-urban parts of other boroughs. There was uncertainty about the interest among council tenants in Lambeth and Newham. The Newham Labour group took the line that take-up would be limited, but local Conservatives undertook a survey of a sample of tenants. Predictions in Camden and Islington were probably influenced by rapidly rising house prices, especially in those districts which had become fashionable with the spread of gentrification over the previous decade, as this affected tenants' ability to buy. In contrast, Brent and Greenwich were relatively low-cost areas. Conservatives in Brent pointed out that Harlesden and Kensal Rise were of particular interest to prospective purchasers.⁴⁵ In some town halls, Conservative members used question-time during council meetings to goad the leadership in an attempt to discover whether they were preparing for the forthcoming legislation, and they did so repeatedly in Greenwich.⁴⁶ In Brent and Lambeth, they went on the offensive as early as December 1979.⁴⁷ But Councillor Matthew Warburton, Lambeth's chairman of housing, refused to answer a

⁴³ *HHE*, 15 August 1980, p. 52. The Hampstead councillor was Gwyneth Williams. There are no relevant figures available for Camden in the GLC statistics used to compile Table D.

⁴⁴ LBH, Policy Committee Minutes, Vol. 10, Part I, Special Policy Committee Agenda, 18 September 1980, Report of Directors, Housing Act 1980, Doc. O.

⁴⁵ *WBC*, 14 December 1979, p. 3.

⁴⁶ See Chapter Eight.

⁴⁷ *WBC*, 14 December 1979, p. 3.

question on how many houses were likely to be sold during the first year, on the grounds that the government's scheme had not yet been enacted.⁴⁸

Although the Conservatives were not represented on Newham council, local party members undertook a publicity campaign informing tenants about the benefits of home ownership. It was led by Donald MacIver, the organiser of an organisation formed for the purpose, Newham Conservative Housing Action Group, which challenged the council's claims that take-up would be limited.⁴⁹ The group conducted a sample survey of people interested in the Right to Buy and came up with the following conclusions: 75 per cent had tenancies in properties which had been standing for 45 years on average, and so were not 'the best housing'; the average age of tenants seeking to buy was approaching fifty, which meant they were unlikely to obtain a private mortgage to buy in the open market. The Conservatives argued that these findings contradicted the council's suggestion that interest among tenants would be limited. Nonetheless, the survey confirmed that houses were overwhelmingly the more popular accommodation, as only six per cent of the sample were flat-dwellers, and only one tenant in the survey, lived on the upper floor of a tower block.⁵⁰ The Newham Conservative Housing Action Group began to compile a list of tenants interested in the government scheme, and by the end of September 1980 said that they had the names of 450 tenants. Donald MacIver suggested there were likely to be others who were interested, but they had not made contact because they would not want their names associated with the Conservative Party!⁵¹ In December 1979 Brent Conservatives claimed that they knew of between 300 and 400 tenants interested in buying and that they were mainly in younger age groups.⁵²

By the summer of 1980, as the Housing Bill passed through its final stages, local Labour politicians were confronted with a major challenge to their position as municipal landlords. Whereas the controversial changes to housing policy introduced by the Heath Government in 1972 reduced an authority's powers over rent-fixing, the Right to Buy scheme presented an imminent threat to the integrity of a council's housing stocks which it had built up over several decades. But the situation in 1980 was less straightforward than eight years' earlier because Labour boroughs faced an unprecedented flood of government measures which affected their plans, the most

⁴⁸ LBL, Council Minutes, 5 December 1979, pp. 475–6.

⁴⁹ NR, 11 October 1979, p. 51; 18 October 1979, p. 8.

⁵⁰ NR, 27 March 1980, p. 5.

⁵¹ NR, 2 October 1980, p. 4.

⁵² WBC, 14 December 1979, p. 3.

serious being the financial restrictions. This time there was little grass roots opposition from tenants to the government proposals which were growing in popularity among tenants. Despite the limited success of voluntary sales schemes some 10 years' earlier, the outlook of tenants was changing. There was evidence of this in the popularity of GLC sales, and the government was making the purchase of a council house more attainable through generous discounts and mortgage terms.⁵³

The dominant themes in Labour's widespread criticisms of the government's plans were that: the quantity and quality of a borough's housing stock would be adversely affected, the properties would be sold too cheaply, tenants in the private sector were not being given similar rights, and there would be a loss of local authority autonomy. Some Labour groups concentrated on practical changes in the way that the scheme would operate, reflecting a realisation that the minds of government ministers were closed to any suggestion that they should vary the principles enshrined in the legislation. In the next section we will see how ideas for opposing the government played out when the boroughs were forced to make a choice on the strategy that they were to adopt.

6.2: THE RIGHT TO BUY ON THE STATUTE BOOK

In early August 1980, the political commentator Bill Montgomery, who contributed an informative – though gossipy – column for the *Willesden and Brent Chronicle* called 'Town Hall Notebook', forecast that implementation of the Right to Buy was about to become highly contentious. He wrote, 'One of the biggest political battles this autumn is going to be over the government's Housing Act which has just been approved by Parliament.' He added: 'Politicians seem to have decided they are going to have a pitched battle over this'.⁵⁴

Labour groups around the boroughs had a choice of adopting one of three main strategies: to agree to operate the scheme and do so expeditiously; to agree reluctantly to implement, while employing all legal means to delay sales; or to refuse outright to adopt the Right to Buy and pursue a strategy of defiance.⁵⁵ The first option was likely to

⁵³ GLC sold 5770 houses during the year ending 31 March 1979: Greater London Council, *1978 & 79 Annual Abstract of Greater London Statistics*, vol. 13/14 (London: GLC, 1980) table H4 09.

⁵⁴ *WBC*, 15 August 1980, p. 8.

⁵⁵ These three options were clearly identified by Brent Council: *WBC*, 19 September 1980, p. 1.

appeal only to councils under Conservative control and the second risked intervention by the Secretary of State if taken too far. The third would involve an immediate political battle with the government, and of the eight boroughs only Greenwich was prepared to pursue this strategy for a while.

During the late summer and early autumn of 1980, Labour groups were preoccupied with financial difficulties, including withstanding pressure from Michael Heseltine over cuts in public expenditure.⁵⁶ Although the Right to Buy remained important to Labour politicians, they recognised that the nature of the legislation afforded them the opportunity to delay or block individual sales; so a decision to implement would not prevent their doing the minimum necessary to carry out the scheme. Therefore, when it came to making a final decision, most Labour groups took the view that the Right to Buy was not the best issue on which to ‘take on’ the government. Instead, they should direct their energies to fighting the cuts and pursuing tough negotiations with Whitehall over finance.

A consequence of the government squeeze on public expenditure was that little or no money was available for improvement works on properties that councils had acquired in the open market under municipalisation programmes. For instance, Islington had 150 older properties standing empty. The leadership favoured selling them, and despite bitter and sustained left-wing opposition, persuaded the Labour group to agree to the council putting them up for sale, though some saw this as compromising the council’s position on the Right to Buy.⁵⁷ The *Islington Gazette* took the view that the sales of vacant houses put the Labour group ‘in an extremely difficult and embarrassing position’, as it contradicted their pledge when the Conservatives won the general election that it would not sell council houses willingly.⁵⁸ However, it did not contradict the recent motion prompted by the consultation document, as this specifically related to the Right to Buy.⁵⁹ Other councils were soon to make the painful decision to sell vacant and unimproved houses.

⁵⁶ As explained in Chapter Two.

⁵⁷ *HG*, 2 May 1980, p. 3; LBI, Council Minutes, 29 July 1980, pp. 182–3; *IG*, 24 October 1980, p. 1.

⁵⁸ *IG*, 29 August 1980, pp. 1–2.

⁵⁹ LBI, Council Minutes, 7 December 1979, p. 473.

Compliant strategies

Once the Housing Act reached the statute book on 8 August 1980 officers in the various boroughs briefed the elected members on its contents, including the Secretary of State's default powers, which were widened while the Bill was before Parliament. In none of the boroughs, however, were the leaderships prepared to make decisions as soon as they returned after the August recess. Some officers sought permission to do preparatory work so that they were ready to deal with tenants' applications. They were aware that once the Right to Buy part of the Act came into force on 3 October they would be required to respond to all tenants' applications within 28 days. For instance, the Hackney and Islington officers wanted to know whether they were to implement the Act, while proposing some administrative arrangements to enable them to operate it.⁶⁰ In Hackney they explained the implications: it would require extra staff; arranging the leases of flats would be particularly time-consuming; there was likely to be an early rush from tenants seeking a price freeze.⁶¹ Officers pointed out that the Environment Secretary could use his default powers where he simply *considered* that tenants were experiencing difficulty with a local authority.⁶² No doubt aware that some councillors favoured defying the government, they warned against giving Michael Heseltine the opportunity to step in, because it was in the council's best interests for its own staff to administer the scheme.⁶³ Although Islington council initially refused to allow any preparations for sales, in early September the housing committee made a firm decision to implement the government scheme and acceded to an officers' request to appoint temporary staff to deal with the initial rush of applications. There appears to have been little discussion in full council.⁶⁴ This acquiescence over adopting the government scheme can be inferred from the diary of Pat Haynes. Though recording that he attended the housing committee and full council meetings, he made no mention of the Right to Buy during this period, which probably indicates that he viewed implementation as a foregone conclusion.⁶⁵ But Islington's compliance did not go unnoticed by the local,

⁶⁰ LBH, Policy Committee Minutes, Vol. 10, Part I, Policy Committee Agenda, 3 September 1980, Report of Borough Solicitor, Housing Act 1980.

⁶¹ LBH, Policy Committee Minutes, Vol. 10, Part I, Special Policy Committee Agenda, 18 September 1980, Report of Directors, Housing Act 1980, the Right to Buy.

⁶² *Ibid.*

⁶³ *Ibid.*

⁶⁴ *IG*, 29 August 1980, pp. 1–2; LBI, Council Agenda, 14 October 1980, Housing Committee Report (No. 1) 1 September 1980, pp. 189–90; Housing Committee Report (No. 2) 11 September 1980, pp. 206–7 and 213; Council Minutes, 14 October 1980, pp. 276–7.

⁶⁵ LBI, Council Minutes, 14 October 1980, pp. 276–7; Pat Haynes, *An Islington Councillor 1971–1992* (London: Pat Haynes, 1994) pp. 120–1.

left-wing underground press, which was scathing about it in the wake of the borough's earlier decision to sell its 150 vacant houses.⁶⁶

At no time did the Southwark Labour group indicate that it might do other than implement the government scheme. As mentioned earlier, Charles Sawyer let it be known that the practice in Southwark was to act constitutionally. In the spring of 1980 he acknowledged that the government would soon force the council to sell, but without any suggestion that the Labour group would seek to resist.⁶⁷ When the Act came into force the housing committee asked the officers to 'undertake immediately any preparatory work necessary, prior to the decision of the council',⁶⁸ it also delegated the task of overseeing sales to a subcommittee of just two members – Sawyer and his vice-chairman.⁶⁹ It would appear that the Southwark leadership wanted to ensure that a plan of action was in place before the council's scheduled October meeting, but were not prepared to call a special meeting to ratify the arrangements. Meanwhile, Sawyer's subcommittee advised the council to implement the Right to Buy, laying particular stress on the Secretary of State's wide powers of intervention. Sawyer envisaged the officers handling the whole process of sales, with the minimum involvement of the members because of the amount of work involved and the tight timescales imposed by the Act. Sawyer's arrangements would have allowed the officers to sell a house without reference to the elected members.⁷⁰ On 22 October the full council adopted the principle of implementation, but, as some Labour members opposed complete delegation to the officers, a compromise was reached whereby the committee was to be involved in approving the terms for each sale. A Conservative motion was defeated which would have required the officers to let tenants know their rights under the scheme and how to exercise them.⁷¹

In Camden, as in Islington, there was no debate in full council on a decision to implement. At a Labour group meeting held shortly before the Act came into force, members gave priority to the council's financial position and deferred discussion of the Right to Buy.⁷² The group had to defend a no-confidence motion in the council chamber from Conservative members directed at the leadership over the high level of its

⁶⁶ *The Islington Gutter Press*, November 1980, p. 8.

⁶⁷ *SLP*, 25 May 1979, p. 2; LBS, Council Minutes, 23 April 1980, pp. 439–40.

⁶⁸ LBS, Council Agenda, 22 October 1980, pp. 88–9, Housing (Urgency) Sub-Committee Report.

⁶⁹ The vice-chairman was Mrs Ackroyd.

⁷⁰ LBS, Council Agenda, 22 October 1980, p. 89, Housing (Urgency) Sub-Committee Report.

⁷¹ LBS, Council Minutes, 22 October 1980, pp. 101–2.

⁷² *CJ*, 26 September 1980, p. 64.

expenditure.⁷³ By mid-October the Labour members were coming round to accepting the new legislation on sales.⁷⁴ Councillor Nick Bosanquet, the chairman of the housing management committee, expressed concerns about the dangers implicit in a rebellion. He used the ‘risk of intervention’ argument in warning that defying the government would result in the sale of “many more homes at more favourable prices than if we complied with the Act.”⁷⁵ It is clear that adoption of the government scheme was still a sensitive issue, however, because Labour members severely criticised the deputy director of housing for anticipating a decision by assigning a member of staff to handle queries from tenants interested in buying.⁷⁶

On 20 October the Camden Labour group agreed to implement the Act by adopting a discreet strategy that would involve dealing with tenants’ applications slowly. As the *Camden Journal* put it pithily, ‘YES, you CAN buy your council home ... but we don’t advise it’.⁷⁷ Although there was no specific item on the agenda for its next meeting, the Conservatives were able to establish that the Labour group was committed to compliance. They asked what the council was doing to operate the government scheme, and, in response, Nick Bosanquet confirmed that despite repugnance at the policy Camden would implement it.⁷⁸ The contrast between the Camden Labour group’s acceptance of the Right to Buy and its earlier political battle with the government over the Housing Finance Act could hardly have been more marked.

A borough where observers might have anticipated strong resistance to the new legislation was Lambeth, because of the reputation of its hard-left leader, the vocal ‘Red’ Ted Knight. During debates on the Housing Finance Act, he had taken a tough line with councillors who refused to join the rebels, as explained in Chapter Four.⁷⁹ This time there was some talk of defiance from Lambeth. It seems that the housing chairman, Matthew Warburton, was against implementation.⁸⁰ During the second half of August, the *South London Press* reported that in readiness for the legislation coming into force,

⁷³ LBC, Council (Special Meeting) 8 October 1980, pp. 1b–1c; *HHE*, 10 October, p. 64.

⁷⁴ *CJ*, 17 October 1980, p. 19.

⁷⁵ *Ibid.*

⁷⁶ *CJ*, 17 October 1980, p. 19. The censure of the deputy director of housing, Eric Birchmore, was the culmination of an increasingly tense relationship with the leadership and he resigned.

⁷⁷ *CJ*, 24 October 1980, p. 3.

⁷⁸ LBC, Council Minutes, 22 October 1980, p. 359; *CJ*, 31 October 1980, p. 10. The Conservative councillor posing the question was Derek Spencer.

⁷⁹ *SLP*, 19 May, p. 15; Stewart Lansley, Sue Goss and Christian Wolmar, *Councils in Conflict: The Rise and Fall of the Municipal Left* (Basingstoke: Macmillan, 1989).

⁸⁰ Paul Moore, *London Labour Briefing*, no. 6, October 1980, p. 6.

the town hall was making preparations to ‘take on’ the government.⁸¹ Knight commented cryptically, “Between now and October we will be working out how best to prevent the sale of council houses. We will be doing everything in our power to frustrate this asset-stripping.”⁸² Nevertheless, it soon became apparent that the Labour group’s strategy was no different from that being adopted by most other boroughs – to agree to implement the Act, while doing everything possible to block or delay individual sales. Within a few days of the Act becoming law, members of the Labour group overwhelmingly decided to implement.⁸³ According to Councillor Paul Moore, writing in the *London Labour Briefing* – an organ of the municipal left – leading councillors Ted Knight and Matthew Warburton persuaded the group against the adoption of a defiant strategy. Those who supported the leadership line contended: ‘Test cases against the council could prove “embarrassing”’ and, on priorities, ‘This was neither the right time nor the right issue to take on the government’.⁸⁴ Knight explained the reasons why Lambeth would not be fighting the Government over council house sales: the Environment Secretary had the power to take over the sales and retain the capital raised; councillors could be surcharged and barred from office. It was not a battle that Knight was prepared to take on: “We’re in a war, and in a war every possible battle is not necessarily won. The objective is to defeat the enemy and we felt this could be a diversion ...”⁸⁵ The policy committee adopted this strategy by asking the council to accept the Right to Buy, but to employ no additional staff to work on the scheme; also to inform the tenants of the disadvantages of buying council houses.⁸⁶ The Conservative group did what it could to oppose these recommendations.⁸⁷ Some rebel Labour members put forward a motion that the council should ask the committee to rethink ways of opposing the government over sales, but it was token resistance, voted down in a division by 45 votes to three.⁸⁸ The significance of the events in Brixton town hall for Labour councillors elsewhere in London was that while some other groups were undecided, the borough with the most left-wing leadership in the capital had accepted that outright defiance was not a feasible option.

⁸¹ *SLP*, 22 August 1980, p. 7.

⁸² *Ibid.*

⁸³ *SLP*, 10 October 1980, p. 1.

⁸⁴ Paul Moore, *London Labour Briefing*, no. 6, October 1980, p. 6.

⁸⁵ *SLP*, 10 October 1980, p. 2.

⁸⁶ LBL, P and R Committee Minutes, Ref LBL/94A/1a, Meeting of 7 October 1980, pp. 325, 340 and 414; Council Minutes, 15 October 1980, pp. 311–14.

⁸⁷ LBL, Council Minutes, 15 October 1980, p. 363.

⁸⁸ LBL, Council Minutes, 15 October 1980, p. 363. The record shows that Paul Moore, while criticising the Labour group’s decision in *London Labour Briefing*, acquiesced by voting for implementation.

It is apparent that in half of the boroughs – Camden, Islington, Lambeth and Southwark – the leadership’s policy of adopting the government scheme was overwhelmingly accepted by the group. The strategy of these Labour groups fell into the category of agreeing reluctantly to implement, with a view to employing all legal means to delay sales. The remainder of this chapter and Chapter Eight explores what was taking place in the boroughs where there was some resistance to such acquiescence.

Splits in Labour Groups

Greenwich was the only borough where a majority of the Labour group decided to pursue a strategy of defiance by refusing outright to adopt the Right to Buy scheme. On 5 November 1980 the council passed a resolution to this effect and the outcome is explained in Chapter Eight.⁸⁹ In the three remaining boroughs – Brent, Hackney and Newham – there was significant opposition within Labour ranks to a compromise.

The Brent Labour group met in mid-September to discuss alternative strategies over implementation. Jon Mordecai and other left-wing members wanted to reject the government scheme outright, but the majority thought it preferable to cooperate with the government, but delay sales in all ways that were legally possible.⁹⁰ The voting in the group was 18 to 11 against defying the government, but the rebels hoped to overturn the decision at full council, as 10 members were absent from the group meeting.⁹¹ In a letter to the local press, the housing spokesman for the Brent Conservative group, Ron Dinsey, welcomed the Labour decision, saying ‘the moderates within the Labour group are to be congratulated on their stand against left-wing extremists who bitterly opposed and resented tenants being given the opportunity under the new legalisation [sic] to buy their humble homes.’⁹² At the housing committee, Jon Mordecai was in an invidious position because, as chairman, he was required to introduce a policy with which he disagreed.⁹³ The committee duly rescinded its decision of January 1980, preventing the officers from working on the government scheme, but left it to the policy committee to advise the council on the principle of implementation.⁹⁴

⁸⁹ LBG, Council Minutes, 5 November 1980, p. 222 (Doc. 1479); *KI*, 6 November 1980, p. 1.

⁹⁰ *WBC*, 19 September 1980, p. 1; 26 September 1980, p. 4.

⁹¹ *WBC*, 26 September 1980, pp. 3 and 4.

⁹² *Ibid.*, p. 2. It is probable that the word ‘legalisation’ should have read ‘legislation’.

⁹³ *WBC*, 26 September 1980, p. 4. Mordecai was in a similar position to that of the Greenwich councillor Arthur Capelin in 1972 with regard to the Housing Finance Bill (see Chapter Four).

⁹⁴ LBB, Council Agenda, 15 October 1980, p. 241, Housing Committee Report, 17 September; p. 407, P and R Committee Report, 1 October; *WBC*, 10 October 1980, p. 3.

There was a lengthy debate at full council because Jon Mordecai and the vice-chairman of his committee attempted to reverse the move towards implementation.⁹⁵ They proposed a defiant motion in favour of leaving it to the government to operate the scheme. As one member explained, “It is the economics of the madhouse to sell-off at half price homes which will have to be replaced at full price.”⁹⁶ Unusually for 1980, the rebels received support from a tenant organisation which sent a deputation to the meeting to urge members to refuse to implement the scheme.⁹⁷ Councillors following the official line used the ‘risk of intervention’ and ‘penalties’ arguments, pointing out that Whitehall was likely to operate the scheme more energetically than the council’s own staff.⁹⁸ The leader, John Lebor, added somewhat unconvincingly that he doubted whether there would be many sales in the borough, perhaps only two or three hundred. The view of the Conservative opposition was simply that the Right to Buy scheme should be adopted because it was now the law.⁹⁹ On a division, the motion to defy the government was defeated by 45 votes to 13, with Conservative support.¹⁰⁰

Meanwhile, in Hackney the local press reported that the Labour group had agreed to implement the Right to Buy. Nevertheless, it was split over the issue, with a broad left faction seeking to persuade the majority that the council should defy the legislation.¹⁰¹ The main reason for Labour members going along with implementation was that they saw financial issues as the group’s main priority. The experienced Bob Masters used the ‘priorities’ argument by pointing out that as Hackney already had a political fight running with Michael Heseltine over the cuts in local government finance, so the group was reluctant to become involved in another.¹⁰² As he put it, rhetorically, “Heseltine is so fanatical on this that he might make an example of us and we are more interested in fighting the cuts.”¹⁰³ But because the government was pressing Hackney to reduce its spending, the council refused to employ extra staff to deal with the sales hoping that this would lead to delays.¹⁰⁴

⁹⁵ *WBC*, 17 October 1980, p. 1.

⁹⁶ *Ibid.* The member was Cyril Shaw, vice-chairman of the housing committee.

⁹⁷ LBB, Council Minutes, 15 October 1980, p. 412; *WBC*, 17 October 1980, p. 1. The organisation was Brent Federation of Tenants’ and Residents’ Associations.

⁹⁸ *WBC*, 17 October 1980, p. 1.

⁹⁹ *Ibid.*

¹⁰⁰ LBB, Council Minutes, 15 October 1980, p. 412.

¹⁰¹ *HG*, 3 October 1980, p. 1.

¹⁰² *HG*, 10 October 1980, p. 1. Bob Masters was chairman of the highways committee. He had been a Hackney councillor for 30 years: John Kotz, *Vintage Red: The Story of a Municipal Socialist* (Croydon: Manifesto Press/Labour Heritage, 2011) p. 113.

¹⁰³ *HG*, 10 October 1980, p. 1.

¹⁰⁴ *Ibid.*

John Kotz, the deputy leader, who accepted that the council would have to operate the government scheme, made a revealing comment about the use of delaying tactics: “There are more ways of killing a cat than shouting it from the rooftops.”¹⁰⁵ With this mixed metaphor, Kotz was admitting that the Labour group had decided to adopt a strategy of passive resistance to the government scheme. It is perhaps surprising that such an experienced local politician should have made this public (and in a place that was more effective than the town hall roof) as it would have alerted Labour’s opponents to the tactics they would be adopting. Predictably, the Conservative councillor Joe Lobenstein responded combatively, “If Hackney Council thinks it can torpedo the new Housing Act by pretending it does not exist or by dragging its feet, then it can think again.”¹⁰⁶

The policy committee adopted the officers’ report on administrative arrangements to enable them to operate the government scheme.¹⁰⁷ When this was put to the full council on 22 October, the split in the Labour group on implementation came into the open as the left forced a division. The *Hackney Gazette* reported that, ‘Amid angry scenes, the rebels accused the council leadership of “selling out” on the issue.’¹⁰⁸ The indefatigable Gerry Ross, who in 1972 had wanted the council to defy the government over the Housing Finance Act, again supported a hard line. The debate concentrated on whether it was preferable for the council to operate the government scheme, or to do nothing and leave it to Whitehall to take over. Ross moved an amendment against the committee recommendations to comply with the Act.¹⁰⁹ Offering his support, another left-wing councillor argued that a refusal to operate the scheme would make it clear that Michael Heseltine was to blame; he pleaded, “It is always the same theme. If we do not sell the houses, the Tories will do much worse. Is it not time we stood up to the Government and said enough is enough?”¹¹⁰ In response the leader, Martin Ottolangui, argued against leaving it to a minister to implement the Act because of the impact of the policy on the council’s housing stock: “I urge you to sit in the housing department and tell people who go in to ask for a house with a garden for their children, ‘It’s not my fault, I have abrogated my responsibility’.”¹¹¹ After the motion to defy the government was defeated by 29 votes to 11, Hackney council

¹⁰⁵ *HG*, 3 October 1980, p. 1; 7 October 1980, p. 28.

¹⁰⁶ *HG*, 7 October 1980, p. 28.

¹⁰⁷ LBH, Council Agenda, 22 October 1980, pp. 290–1, Report of Special Policy Committee, 13 October.

¹⁰⁸ *HG*, 24 October 1980, p. 1.

¹⁰⁹ LBH, Council Minutes, 22 October 1980, p. 366.

¹¹⁰ *HG*, 24 October 1980, p. 1. The member was Patrick Kodikara.

¹¹¹ *HG*, 24 October 1980, p. 1.

formally resolved to implement the Act.¹¹² Reflecting on what took place at that time, John Kotz, who became leader of Hackney council the following May, simply records in his autobiography that ‘The Parliamentary Labour Party fought a vigorous campaign against the policy but to no avail: Hackney was compelled to allow tenants to buy their homes’.¹¹³ There may have been a feeling among experienced Labour councillors, such as Kotz, that having lost the political battle at national level, nothing could be gained from refusing to implement the Act, especially as there were other ways to be obstructive.

For a while in the adjoining borough of Newham, the leadership appeared to be in a quandary over what approach to adopt, which was in marked contrast to the firm line which the leadership took over the Housing Finance Act. The leader, Jack Hart, made it plain that he did not intend to defy the law outright, admitting frankly, “It is very hard to fight Government legislation when we are so dependent on Government money.”¹¹⁴ But he indicated that the leadership would drag their feet when operating the scheme.¹¹⁵ A special housing committee meeting on 20 October advised the council to comply with the Act so that the officers could start work on the applications.¹¹⁶ Yet the leadership were in no hurry to take things further, and they waited until the next scheduled council meeting on 18 November, some six weeks after the Act came into force. Meanwhile, a move within a local Labour Party to ban house sales, was rejected by the group on the council, and the leadership warned rebel members that they would be “seriously reprimanded” if they failed to support official policy.¹¹⁷ Nevertheless, when the full council finally held a debate on the issue, a maverick left-wing councillor, Ken Palmer, proposed a defiant motion against the official line, and received some support.¹¹⁸ Associating the government policies on council house sales and higher rents with its moratorium on building, Palmer said, “The Tory government has declared war on council housing and the Labour movement in general.”¹¹⁹ The veteran Jack Hart did not deny this, but repeated his plea for a constitutional approach by asserting his concern over the “democratic implications” of seeking to defy decisions made in

¹¹² LBH, Council Minutes, 22 October 1980, p. 366.

¹¹³ Kotz, *Vintage Red*, p. 101.

¹¹⁴ NR, 18 September 1980, p. 11.

¹¹⁵ NR, 2 October 1980, p. 4.

¹¹⁶ LBN, Council Agenda, 18 November 1980, pp. 387 and 395, Town Planning and Housing Committee Report, 20 October 1980, Appendix ‘A’. The procedures were proposed by the officers in their 8 September report.

¹¹⁷ NR, 20 November 1980, p. 5.

¹¹⁸ LBN, Council Minutes, 18 November 1980, p. 446. The ‘maverick’ label derives from author’s interviews with David Gilles, 20 and 26 February 2013.

¹¹⁹ NR, 20 November 1980, p. 5.

Parliament. He used the ‘risk of intervention’ argument to show that nothing would be gained from adopting a defiant stance.¹²⁰ When put to a vote, the rebel motion was defeated by 43 votes to eight, with the Ratepayers group supporting implementation.¹²¹ In line with its practice, the Labour group required seven rebels to agree ‘a pledge of allegiance’, but suspended Ken Palmer from their meetings until the end of 1981.¹²² The specialist in local politics, Colin Copus, cites this withdrawal of the party whip as an example of the strictness of the discipline within the Newham group.¹²³

The political reporter, Bill Montgomery, plainly recognised the importance of the Right to Buy for local authorities. Nevertheless, his prediction that there would be a major political battle over council house sales during the autumn of 1980 proved to be an overstatement, even in his home ‘manor’ of Brent. Almost all councils appeared to be delaying any combat with the government until they were operating the scheme, or purporting to do so. In four of the boroughs, the Labour members resolved any disagreements over policy within the group and there was no discord in the council chamber. Even where there were open splits (Brent, Hackney and Newham), the majority view comfortably prevailed when the time came to make a firm decision. Significantly, Lambeth Labour group, under its hard-left leadership, decided that the Right to Buy was not the most suitable issue on which to ‘take on’ the Thatcher Government. Yet in the three boroughs where there was a division on implementation, it was noticeable that the rebels were on the left of the party, with Jon Mordecai, Gerry Ross and Ken Palmer being prominent.

Conclusion

Labour boroughs reacted with various degrees of hostility to Michael Heseltine’s announcement that he would introduce the Right to Buy legislation and during the brief consultation over the government’s proposals. They provided systematic critiques of the policy that were particularly comprehensive in Brent and Camden. They attacked the compulsory sale of council houses both in principle and on some practical details of the scheme. They anticipated that properties would be sold too cheaply because of the large discounts and a disproportionate proportion of the tenants in the better type of houses

¹²⁰ NR, 20 November 1980, p. 5.

¹²¹ LBN, Council Minutes, 18 November 1980, p. 446.

¹²² NR, 20 November 1980 p. 1; 29 January 1981, p. 4.

¹²³ Author’s interview with Colin Copus, 14 May 2012.

would be most likely to buy, whereas flats would be unpopular. The results would have an adverse effect on the quantity and quality of a borough's housing stock and on the council's finances. Operating the scheme would require extra staff, but the government made no provision for meeting the cost. They objected to the loss of autonomy at a time that local government was under unprecedented attack from Westminster. Throughout the time that the Bill was under discussion, however, there was virtually no opposition to the government proposals from tenant associations or similar organisations, so Labour groups were self-motivating in their disapproval of council house sales. There were no initiatives for joint action by local authorities, the boroughs simply responded in customary fashion to the AMA in its coordination of comments on the government plans. Councillors of both parties made assessments of the anticipated take-up under the scheme and concluded that local circumstances were likely to be highly relevant. The most important factors were the proportion of houses to flats in the housing stock, the existing level of owner-occupation and the price level of houses. There was likely to be stronger demand from tenants in low-density suburban areas – typically in the outer areas of Brent and Greenwich – than in inner-city locations. Conservative members tended to be more optimistic in their projections of likely sales than Labour members, who appear to have overlooked the popularity of sales of GLC housing.

When Labour groups considered the most effective strategy to adopt in opposing the legislation, council leaderships favoured constitutional forms of opposition and there were only isolated calls to defy the government over sales. Most decided that it was preferable for their council to operate the Right to Buy than allow the Secretary of State to take over the scheme. The thinking behind this was that councils would recruit no additional personnel and that the council staff would handle sales less vigorously. The view in some quarters was that fighting the cuts was the main priority at a time of an unprecedented onslaught on local authority finances. Central to thinking at the time was that there were likely to be legitimate opportunities to frustrate the Act. All of the boroughs delayed making a final decision until after the legislation had been enacted, either because they were uncertain over the formation of a strategy, or because they were in no hurry to deal with the tenants' applications to buy. The key debates on the issue showed marked signs of resignation to the 'inevitable' which was in sharp contrast to the heated exchanges that took place over decisions of the same order in 1972.

In Camden, Islington and Southwark, the Labour groups adopted a strategy of implementing the Right to Buy, the membership remaining united probably in the

knowledge that the council would employ all legal means to delay sales. Nevertheless, there was perceptible opposition to implementation from left-wing members in Brent, Hackney and Lambeth, while even in Newham, with its strong party discipline, eight rebels were prepared to vote against the group's official policy. Except in Newham, there appears to have been no disciplinary action against members who defied the group's official policy. By mid-November 1980, all boroughs except Greenwich had agreed to implement the Right to Buy scheme, with attempts to oppose the official Labour policy in only three – Brent, Hackney and Newham.

Throughout the year, Conservative groups had good opportunities to give advance publicity to the Right to Buy scheme which promised to be popular with tenants. In some boroughs, the Conservatives invited interested tenants to contact them, so that they could record their names and offer them support. In debates on the government proposals, when Labour members marshalled their criticisms, Conservatives put forward counter-arguments. These were on the lines that the Labour administrations were ignoring council tenants' aspirations to buy their homes, and were intent on retaining power over their estates, one member calling them 'feudal barons'. Conservative members argued that council tenants were a disadvantaged section of the community because of the low standard of estate maintenance and the lack of opportunity for mobility. The discounts were not excessive, because they were equivalent to the reduction allowed in the price of a property when private landlords sold to a sitting tenant. In some town halls, Conservative members used question-time at council meetings to goad the leadership to discover whether they were preparing for the forthcoming legislation.

CHAPTER SEVEN:

PASSIVE RESISTANCE OR ‘MAKING HASTE SLOWLY’¹

While the Housing Bill was before Parliament, it became clear that there would be opportunities for Labour-controlled councils to delay sales and frustrate prospective purchasers. The government prepared for resistance by including extraordinary powers to enable the Secretary of State to take penal action against recalcitrant councils, including sending Whitehall officials into town halls to run the housing service.² Some of the Labour groups, such as the one in Greenwich, said little about the strategy they would adopt, while others disclosed that they would be dragging their feet over implementation. As we saw in Chapter Six, this was made clear by such prominent councillors as Ted Knight, John Kotz and Jack Hart.³ In this and the following chapter, we will examine the tactics the boroughs adopted in pursuit of this aim and the methods that Whitehall and Labour’s local opponents used to combat them.

Some of the delays that occurred in handling tenants’ applications, however, were not directly attributable to resistance by the boroughs, especially where the National Association of Local Government Officers (NALGO) took industrial action by refusing to work on sales.⁴ There could be sound reasons for delaying individual sales where vagaries in the wording of the 1980 Act presented legal problems with leasehold flats. Nevertheless, Labour leaderships could, and did, exploit the opportunities they offered.

This chapter proceeds as follows: Part 1 treats these matters thematically; Part 2 examines the changing relationship between Whitehall and the individual boroughs, in particular the pressure exerted by ministers and their officials on town halls, and its consequences. It explains the changes that occurred in the operation of the Right to Buy following the political changes resulting from the local elections of May 1982.⁵

¹ This heading is adapted from a phrase used by Councillor Jack Hart, when he admitted that Newham Council had “made haste slowly” [NR, 2 July 1981, p. 45].

² As mentioned in the Introduction and Chapter Two of this thesis.

³ *SLP*, 22 August 1980, p. 7; *HG*, 3 October 1980, p. 1; 7 October 1980, p. 28; *NR*, 2 October 1980, p. 4; *WBC*, 19 September 1980, p. 1; 26 September 1980, p. 4.

⁴ NALGO became part of UNISON in 1993 when it merged with two other public service unions, NUPE and COHSE.

⁵ As outlined in Chapter One.

7.1: DELAYING TACTICS ADOPTED

During the early days of the Right to Buy scheme, most Labour-controlled councils issued leaflets about the implications for tenants who bought the property they occupied. Newham had done so early in 1980.⁶ The titles indicate the contents: ‘Think before you buy’, ‘Your council house – should you buy it?’ and ‘Warning to council tenants’.⁷ The leaflets also explained the effect sales would have on the borough’s housing shortage. The publications issued by Brent, Camden and Greenwich were typical, with warnings of the ‘problems of home ownership’ and ‘You may think it a good buy; but can you afford it?’⁸ Camden and Greenwich provided examples of weekly mortgage repayments with comparisons of rents being paid for the accommodation and stressed the expense involved in property maintenance. Greenwich stressed that the high interest of 15 per cent on new mortgages was due to government policy.⁹ Conservative councillors and other opponents accused Labour councils of using scare tactics to deter tenants from going through with an application to buy, and for using public money to spread propaganda. But Labour councillors replied that what they were doing was only fair because the government was conducting a massive campaign to promote sales through television advertising and official publications.

Labour’s critics accused town halls of using exaggerated estimates of the likely annual service charges on flats, as when Jon Mordecai, Brent’s housing chairman, predicted that purchasers of flats would be faced with bills for thousands of pounds for repairs.¹⁰ But there is no doubt that the cost of maintaining council flats tended to be expensive, especially in high-rise blocks. We saw in Chapter Six that where council rents were low, as in Southwark, the service charges alone would be relatively high.¹¹

Staffing, NALGO and the district valuer

Running the new government scheme involved considerable extra work in three council departments: housing, valuation and legal. The Act came into force at a time when the

⁶ See Chapter Six.

⁷ LBB, Council Agenda, 3 December 1980, Housing Committee Report, 5 November, p. 478; LBC, Council Agenda, 3 December 1980, p. 376, Housing Management Committee Report, 29 October 1980; LBL, Council Minutes, 12 February 1981, pp. 666–7. Greenwich issued a leaflet as one of its ploys to delay sales: author’s interview with John Austin, 28 June 2011.

⁸ LBB, Council Agenda, 3 December 1980, Housing Committee Report, 5 November, p. 478; LBC, Housing Management Committee Minutes, Vol. 1, JM/7/25B, Meeting of 29 October 1980 and Appendix ‘X’.

⁹ LBC, Housing Management Committee Minutes, Vol. 1, JM/7/25B, Meeting of 29 October 1980 and Appendix ‘X’; TNA, HLG118/3836, Greenwich council pamphlet, ‘The Sale of Council Homes’.

¹⁰ *WBC*, 14 August 1981, p. 1.

¹¹ LBS, Council Agenda, 5 December 1979, pp. 174–83, Housing Committee Report, 7 November, Appendix: ‘Housing Bill – Consultation Paper’.

DoE was discouraging local authorities from increasing their expenditure on staff, leading to councils keeping vacant posts unfilled and avoiding creating new posts where possible. Councils had to decide how they could operate the scheme by redeploying existing officers. They also had the option of putting out some of their property valuations to the district valuer (DV), who provided a free service for local authorities.¹² For a Labour-controlled local authority, these decisions over staffing afforded opportunities to delay the progress of sales. Only a prolonged period of industrial action by NALGO, or intense Whitehall pressure, persuaded council leaders to act. Nevertheless, Brent differed from the other Labour boroughs in that, from the outset, it was prepared to appoint extra staff and created three temporary posts dedicated to work on the scheme.¹³

It was NALGO's official policy for its members to refuse to take on additional duties arising from government policy where no 'additional resources' were provided, such as where a local authority was unwilling to recruit extra staff or was slow to do so.¹⁴ Where union branches took industrial action over the Right to Buy, it meant 'blacking' the work.¹⁵ Some branches of NALGO refused to handle sales from the time that the various local authorities announced that they would implement the Right to Buy. This led to early delays over administering the scheme.¹⁶ Even before Camden and Lambeth councils had decided to implement, trade union officials announced that they were banning the new work, such as issuing application forms.¹⁷ NALGO caused most disruption in Camden and Lambeth, where the branches were run by militant officials with political motives. In Hackney, where a threat of industrial action was hanging over the council meeting on implementation, local NALGO officials quickly announced that they were refusing to handle sales.¹⁸ A similar announcement was made in Southwark shortly after the council agreed to implement, and industrial action spread to Newham and Greenwich.¹⁹

¹² The district valuer was employed by the Inland Revenue and, being a civil servant, was independent of the town hall.

¹³ LBB, Council Agenda, 3 December 1980, p. 547; Finance and General Purposes Committee Report, 17 November 1980; Council Minutes, 3 December 1980, p. 569.

¹⁴ *HHE*, 21 November 1980, p. 1; *LGC*, 7 November 1980, p. 1175.

¹⁵ *Ibid.* See the backing for Lambeth NALGO branch, *SLP*, 14 November 1980, p. 1.

¹⁶ Related below and in Chapter Eight.

¹⁷ *CJ*, 26 September 1980, p. 64; *HHE*, 10 October 1980, p. 64; LBL, Council Minutes, 15 October 1980, p. 285; *SLP*, 10 October 1980, p. 1.

¹⁸ *HG*, 10 October 1980, p. 1.

¹⁹ *SLP*, 7 November 1980, p. 12.

In Lambeth union action became caught up in a mass campaign against government cuts, in which the council leader, Ted Knight, was deeply involved.²⁰ Yet Knight appears to have distanced himself from the NALGO action, probably because the council had agreed to carry out the government scheme. Having also resolved to employ no extra staff, Lambeth formed a new section from existing officers in the housing department, but NALGO refused to cooperate.²¹ Management began to operate the scheme and, in retaliation, NALGO shop stewards devised an extraordinary plan to thwart these arrangements by surreptitiously diverting incoming mail from tenants seeking to buy and hiding it. By the time the ploy came to light at the end of February 1981, the shop stewards claimed to be holding 150 letters. The chief executive, Frank Dixon Ward, conducted an inquiry into what was going on.²² When questions were raised in the House of Commons about the unusual situation, the union officials agreed to cooperate with management and released the correspondence.²³ Although the majority of union members supported conventional industrial action, three senior managers in the housing department continued to operate the Right to Buy scheme.²⁴ The dispute over staffing was referred to arbitration, but took most of 1981 to resolve. As a result of the ruling the council filled six vacant posts.²⁵

In Camden, the industrial action lasted for about six months. In his political history of the borough, Piers Wauchope asserts that the leader, Roy Shaw, did nothing to resolve it.²⁶ Yet Shaw arranged for the chief executive to negotiate with the union on the basis that the leadership would consider recruiting extra staff.²⁷ When the negotiations reached stalemate, the dispute was referred to arbitration. Without waiting for the outcome, the council agreed to appoint an extra staff member, and also ordered that overtime restrictions be relaxed while the backlog of applications was being cleared.²⁸ An arbitration recommendation acceptable to both sides was announced in April 1981, involving two staff appointments.²⁹ By now Camden's NALGO members

²⁰ *SLP*, 21 October 1980, p. 1.

²¹ LBL, Council Minutes, 15 October 1980, p. 314; *SLP*, 10 October 1980, p. 1.

²² *SLP*, 3 March 1981, p. 1.

²³ *The Times*, 5 March 1981, p. 9; Hansard, HC Deb 1 April 1981 cols 128–9.

²⁴ *SLP*, 6 May 1981, p. 6.

²⁵ LBL, Housing Committee Minutes, Ref: LBL/22/42, Meeting of 2 November 1981, Report H.107/81–82 and Appendices A and B; Meeting of 7 January 1982, Report H.170/81–82.

²⁶ *HHE*, 16 April 1981, p. 64; Piers Wauchope, *Camden: A Political History* (Tunbridge Wells: Shaw Books, 2010) p. 122.

²⁷ LBC, Council Agenda, 18 February 1981, p. 56, Staff and Management Services Committee Report No. 1, 2 February 1981; LBC, Council Minutes, 18 February, pp. 82–3.

²⁸ LBC, Council Minutes, 18 February 1981, p. 69; Council Agenda, 1 April 1981, pp. 139–40, Staff and Management Services Committee Report, 16 March 1981.

²⁹ LBC, Council Minutes, 1 April 1981, p. 168; *HHE*, 10 April 1981, p. 80; 24 April 1981, p. 68.

had replaced the militant members on the executive committee with more moderate representatives who were opposed to what they viewed as political action.³⁰

Newham council took several months to deal with the question of additional staff. Meanwhile, NALGO members in the housing department operated a 'go-slow', leading to mounting delays in dealing with applications.³¹ The council leadership does not appear to have been concerned about this state of affairs, which was consistent with the Labour group's policy of doing as little as possible to collaborate with the government. But a formal warning from John Stanley, the housing minister, persuaded the leader, Jack Hart, to hastily approve new arrangements for the housing director to reorganise his department.³²

Greenwich, Hackney and Southwark councils held out against union demands for additional staff. Islington took on a temporary member of staff to help clear the backlog of applications, but this was not enough to satisfy the union.³³ NALGO operated some form of industrial action in all these four boroughs, but it was limited in its effect.³⁴ It is evident that some officers were prepared to work normally, whether NALGO members or not, because applications continued to be dealt with, albeit slowly. In any event, the industrial action seems to have petered out during the first year. Nationally there was a growing lack of interest in industrial action among the overwhelming majority of the union's members during 1981–2. The declining morale among local authority staff has been attributed to the Thatcher Government's policies.³⁵ Significantly, when explaining to the DoE the reasons for delays, few council leaders blamed industrial action by NALGO as Roy Shaw had done in Camden.³⁶

The DoE tried to persuade tardy authorities to involve the DV in clearing the backlog of applications by making 'initial valuations', which were used for the Section 10 (or S.10) notices, specifying the purchase price and other terms of the sale. Camden

³⁰ HHE, 6 March 1981, p. 1; 16 April 1981, p. 64; Mike Ironside and Roger Seifert, *Facing up to Thatcherism: The History of NALGO, 1979–1993* (Oxford: Oxford University Press, 2000) pp. 140–1.

³¹ NR, 18 December 1980, p. 1.

³² LBN, Council Agenda, 3 March 1981, p. 576, Administration Committee Report, 26 January; Council Agenda, 14 July 1981, pp. 22 and 37, Administration Committee Report, 8 June; pp. 64–5, Town Planning and Housing Committee Report, 15 June 1981; NR, 23 April 1981, p. 10.

³³ IG, 19 February 1982, p. 2.

³⁴ For example, a statement by Councillor Ottolangui: LBH, Minutes of Council Meeting 19 November 1980, p. 415.

³⁵ Ironside and Seifert, *Facing up to Thatcherism*, pp. 139–40.

³⁶ HHE, 10 April 1981, p. 80.

and Lambeth had no objection to doing so.³⁷ In Newham, an ultimatum from John Stanley in October 1981 persuaded Jack Hart to instruct the officers to farm out over half of its outstanding valuations to the DV.³⁸ The issue does not appear to have arisen in Brent, Islington or Southwark, but it is conceivable that there were officer-level arrangements. Greenwich refused to use the services of the DV in this way because the 1980 Act nominated him to act in cases where a tenant appealed against the initial valuation; so it might be construed that any involvement by his office in initial valuations would compromise his independent status. Greenwich held out against repeated requests by John Stanley and the DoE to use the DV to clear its backlog.³⁹ The borough's intransigence was supported by the Association of Metropolitan Authorities (AMA) as it was based on counsel's opinion.⁴⁰

In Hackney the council appears to have worked fully independently from its DV as is apparent from property prices that the borough valuer produced for the S.10 notices. These were criticised by the council's opponents for being too high, with the suggestion that over-valuation was being adopted as a ploy to frustrate prospective purchasers.⁴¹ The complaints were understandable because by June 1982, the DV had dealt with 80 appeals and in every case made a reduction of over ten per cent.⁴² Nevertheless, it became clear from discussions between Hackney and the DoE that the variation arose from a difference of professional opinion, and so was a technical rather than a political matter.⁴³ The DV reduced the price of property located on council estates, whereas the council's valuer took the view that any disadvantages due to location were offset by the higher standard of building compared with private developments.

Further delays and complaints

As predicted before the 1980 Act was passed, proportionately more applications were made by tenants of houses; nevertheless, many tenants of flats did want to buy. Serious delays occurred because it was necessary for a council to include the lease terms on

³⁷ *SLP*, 6 May 1981, p. 6; LBC, Council Agenda, 15 July 1981, p. 271, Housing Management Committee Report, 10 June 1981.

³⁸ LBN, Town Planning and Housing Committee Minutes, 30 November 1981, p. 552; *NR*, 3 December 1981, p. 36.

³⁹ LBG, Housing Committee Agenda, 7 January 1982, p. B6 and Appendix B.10(i) (Doc. 1723). See Chapter Eight.

⁴⁰ TNA HLG 118/3838, letter from Peter McGurk, AMA, to Robin Sharpe, DoE, 13 October 1981.

⁴¹ *HG*, 14 July 1981, p. 6; 17 July 1981, p. 6; 18 September 1981, p. 6; 29 January 1982, p. 10; 19 March 1982, p. 11; 5 March 1982, p. 6.

⁴² LBH, Council Minutes, 30 June 1982, p. 195.

⁴³ *Ibid.*

S.10 notices, but the Act was unclear about the method for calculating service charges. As a report by John Carvel in *The Guardian* succinctly put it in 1981, ‘the 1980 Housing Act failed to establish a proper method of dealing with service charges on flats which are part of a block owned by a local authority.’⁴⁴ The DoE offered guidance in a booklet which advised local authorities that it would be acceptable to recharge leaseholders a proportion of the overall cost of maintaining a council’s housing stock. This approach would have been convenient for local authorities as, except for building maintenance, they seldom kept accounts for the running costs of each block of flats or individual estates.⁴⁵

Some town hall lawyers were unconvinced by the DoE method of calculating service charges, as they thought future owners might successfully challenge bills assessed on a global basis and anomalies would be difficult to rectify. Southwark obtained counsel’s opinion, which flatly contradicted the DoE approach and, instead, advised the council to recharge a proportion of the specific costs of the block in which the flat was situated. The AMA took the view that it could not ignore this legal opinion.⁴⁶ With Whitehall and the AMA giving contrary advice, the boroughs were faced with a quandary, especially as DoE officials would not fully commit themselves to the global method; sales of flats were held up.⁴⁷ Lambeth initially postponed dealing with applications for flats and concentrated on houses. Later, to satisfy the DoE, the council adopted a solution used by the DV for leasehold valuations.⁴⁸ Brent was prepared to take a more robust approach in order to clear the backlog. Desiring to make progress, the council followed the DoE guidance by using a uniform charge for flats sold, although the Conservative group argued that the service charge should vary according to the size of the flat.⁴⁹

Complaints from prospective purchasers and their supporters were legion about the way the boroughs dragged their feet over handling all stages of the sales process, from issuing application forms to completing the paperwork on sales. There is little doubt that they were all bureaucratic to a greater or lesser extent. Labour councils would

⁴⁴ *The Guardian*, 18 April 1981, p. 2.

⁴⁵ *HHE*, 19 June 1981, p. 12.

⁴⁶ *LGC*, 1 May 1981, p. 442; LBL, Housing Committee Minutes, Ref: LBL/22/41, Meeting of 22 June 1981, Report H.38/81–82.

⁴⁷ *HHE*, 19 June 1981, p. 12.

⁴⁸ LBL, Housing Committee Minutes, Ref: LBL/22/41, Meeting of 22 June 1981, Report H.38/81–82; Ref: LBL/22/42, Meeting of 2 November 1981, Report H.107/81–82 and Appendix A; Ref: LBL/22/43, Meeting of 25 February 1982, Report H.226/81–82.

⁴⁹ LBB, Council Agenda, 18 March 1981, p. 831, P and R Committee Report, 8 March; Council Minutes, 18 March 1981, p. 855; *WBC*, 27 March 1981, p. 3; 29 May 1981, p. 1.

rationalise this approach either by treating the sale of council houses as a low priority (as did Norwich) or, more explicitly, as part of the strategy to do no more than was absolutely necessary to deter the Secretary of State from resorting to penal action. Greenwich and Southwark initially set up formalities which were particularly time-consuming, as they required their officers to obtain full council approval to the terms agreed for each sale. This meant that the transaction was delayed while it passed through the cycle of committee meetings. Although this was standard practice for the disposal of a surplus commercial property, it was inappropriate for sales under the Act because of their compulsory nature. In Greenwich the officers were required to submit the details of each sale to three separate committees, and there were similar arrangements in Southwark.⁵⁰ By the end of 1981, however, both boroughs had simplified their procedures in response to DoE pressure.⁵¹ In Southwark the approval of sales was delegated to the housing chairman and vice-chairman, meeting as a 'subcommittee', with regular reports to the full committee on the number of sales approved.⁵²

Both Greenwich and Newham were criticised by tenants and political opponents for refusing to carry out maintenance and improvement works to properties where tenants were seeking to buy. Newham excluded all properties where the tenants had 'notified' the council that they intended to apply under the Act.⁵³ From the time that the council had sent out an application form in response a tenant's request, the council would only do repairs if there was a legal obligation to do so. The officers could point to valid financial reasons for this policy, as the council would be unable to recoup the full cost of building works in the price paid by the tenant-purchaser. Similar rules applied in Greenwich.⁵⁴ But if a tenant withdrew the application, Newham was prepared to do the work – unlike the tougher approach adopted by Greenwich, as will be explained in Chapter Eight.

There were circumstances where a local authority had discretion over whether to accept an application under the Right to Buy scheme. This situation mainly occurred where the tenant was not properly entitled to buy under the 1980 Act, as, for example,

⁵⁰ See Chapter Eight; LBS, Council Agenda, 29 April 1981, p. 194, Housing Committee Report, 25 March 1981.

⁵¹ LBG, Council Agenda, 30 September 1981, pp. 136–7, Management Committee Report (Special Meeting) 7 September 1981 (Doc. 1665).

⁵² LBS, Council Agenda, 2 December 1981, p. 585, Housing Committee Report, 4 November 1981.

⁵³ LBN, Council Agenda, 3 March 1981, p. 613, Town Planning and Housing Committee Report, 2 February 1981; Council Minutes, 3 March, p. 696.

⁵⁴ NR, 11 June 1981, p. 5; KI, 24 September 1981, p. 8; 19 November 1981, p. 5.

where the person had succeeded to a parent's tenancy. When counting the number of years used in calculating the discount on the price, local authorities had the choice over whether to include the period when the applicant had lived at the property while the parent was the tenant. The Labour boroughs usually took the view that if they were legally allowed an element of discretion in dealing with an application they should refuse the request. For example, in almost every case of this sort that the Newham officers referred to the members between November 1981 and October 1982 the council decided to reject the application.⁵⁵ Greenwich invariably took a hard line. Although Labour councils were accused of acting unreasonably, they could argue that they were only exercising the discretion allowed under the Act in the interests of the greater good.

Where a council did not own the freehold but only a leasehold interest in an estate, the council tenants did not have the Right to Buy. Southwark Conservatives, led by Toby Eckersley, expended much energy in supporting council tenants who desired to buy on the Dulwich Estate, even though the council was not the freeholder. Eckersley wrote to Margaret Thatcher asking for the law to be changed, and received a reply from John Stanley, explaining that the government was seeking a solution to the problem. Nevertheless, Stanley blamed Southwark council for "sheltering behind the letter of the Act" as it could sell at its discretion. This argument was tenuous, because even if the council had been in favour, it could only have operated the scheme on the Dulwich Estate if it had persuaded the freeholder – the estate trustees – to participate.⁵⁶

The Labour boroughs interpreted the Act to mean that there was only a legal obligation to include a garage if it was situated within the boundaries of the tenant's house and included in the tenancy.⁵⁷ Their definition excluded garages in blocks situated elsewhere or held on a separate tenancy agreement.⁵⁸ There were complaints from tenants where a council refused to sell garages in such circumstances, especially in Greenwich, where political opponents took the opportunity to complain that the council was acting unreasonably.⁵⁹

⁵⁵ LBN, Council Agenda, 19 January 1982, Town Planning and Housing Committee Report, 30 November 1981, Appendix 'B', p. 623; 2 March 1982, Town Planning and Housing Committee Report, 1 February 1982, Appendix 'E'; 5 October 1982, Town Planning and Housing Committee Report, 6 September 1982, p. 205.

⁵⁶ *SLP*, 20 February 1981, p. 8; 3 July 1981, p. 45; 3 July 1981, p. 45.

⁵⁷ The Act uses the term 'curtilage' for 'boundaries'.

⁵⁸ LBB, Council Agenda, 18 March 1981, pp. 830–1, P and R Committee Report, 8 March; Council Minutes, 18 March 1981, p. 855; LBL, Housing Committee Minutes, Ref: LBL/22/44a, Meeting of 4 January 1983, Report H.203/82–83.

⁵⁹ As mentioned in Chapter Eight. For policy: LBG, Housing Committee Agenda, 13 January 1983, pp. A27–29.

7.2: COPING WITH WHITEHALL PRESSURE

Local Conservative councillors and MPs were influential in the long-running encounter that government ministers and Whitehall officials conducted with Labour-controlled councils over delays in operating the Right to Buy scheme. Conservative politicians encouraged prospective purchasers to ‘chase up’ town hall officials and complain to the Secretary of State; they kept the issue alive in the local press, especially through the letters pages, and lobbied ministers to take action to enforce compliance. Conservative group members raised questions in the council chamber about progress and, on occasions, MPs raised the issue in the House of Commons.⁶⁰ In boroughs where the Conservative group was of a significant size, or where there was a local MP who took an active part in supporting prospective purchasers, they put the Labour council under constant attack. This was particularly so in Greenwich.⁶¹

Even where Conservative representation was minimal, it could be effective. For example, in Hackney, where Joe Lobenstein sat as the sole member of the opposition, he conducted a tireless campaign to cajole the reluctant council to make progress and appears to have had more impact than the two Conservatives on Islington Council. In Newham, which had no Conservative councillors, Donald MacIver, the organiser of the Newham Conservative Housing Action Group, continued his campaign on behalf of prospective purchasers.⁶² An enterprising member of Tottenham Conservative Association, Peter Murphy, formed what he called a ‘Right to Buy Club’ to inform and champion Right to Buy applicants, but widened his campaign to boroughs beyond Haringey, including Hackney and Islington.⁶³ His organisation held meetings and urged any council tenant, who was experiencing difficulties, to contact them or write to the minister.⁶⁴

In January 1981 Lambeth Conservatives achieved a symbolic victory in supporting a local Party member, Ian Mather, who obtained a County Court judgement establishing his Right to Buy.⁶⁵ Lambeth Council conceded that it was at fault in not formally accepting Mather’s application within the stipulated four weeks, but pointed

⁶⁰ In some boroughs, the statistics on the progress of sales elicited by Conservative councillors is the only information of this kind available in local records for certain periods.

⁶¹ As shown in Chapter Eight.

⁶² As mentioned in Chapter Six.

⁶³ *IG*, 5 March 1982, p. 2; *HG*, 27 July 1982, p. 5.

⁶⁴ Letters from P. Murphy: *HG*, 10 April 1981, p. 6; *SLP*, 5 January 1982, p. 20; *IG*, 19 February 1982, p. 12.

⁶⁵ *SLP*, 5 December 1980, p. 1. Ian Mather was to stand successfully for the council at the May 1982: LBL, Agenda of Annual Meeting of the Council, 26 May 1982, p. 8.

out that it had accepted it subsequently. In view of this, the County Court judge, while ruling in favour of the tenant, doubted whether his involvement was necessary. As he recognised that progress on the sale was not solely within the council's control, he set no time limit for completion of the sale.⁶⁶ As the outcome put the tenant in no stronger position than under the Act, the use of the courts in this manner did not spread. The Lambeth Conservatives were to have a brief opportunity to put into effect their policy of promoting council house sales when they took control of the hung council following the 1982 local elections.

The Conservatives in Brent went on the offensive from the time that the Labour group accepted that they would have to implement. Councillor John Detre, who sat on the housing committee, took a lead by handing over to the director of housing letters from tenants seeking to buy. The local press, which published a photo of the symbolic event, reported that there were over 200 of these.⁶⁷ In the spring of 1981 Rhodes Boyson, Conservative MP for Brent North, who had been active in promoting the scheme, joined John Detre in criticising the council and complaining to John Stanley about the slow progress being made on valuations.⁶⁸ Detre claimed that the leadership were both putting 'political pressure' on officers to work slowly on the scheme and were holding back on appointing additional staff.⁶⁹ Later, Detre wanted to contact all tenants, who had put in an application, so that he could coordinate a campaign to persuade the council to speed up sales, but on advice from the chief executive, the policy committee refused to allow the housing officers to release tenants' details, claiming confidentiality.⁷⁰

In Camden, Councillor Julian Tobin criticised the leadership for not taking a stronger line with NALGO over its industrial action, and asserted that John Stanley had threatened to take action because of, "Camden's intention to thwart the law in every way".⁷¹ Tobin wanted Stanley or the junior minister Geoffrey Finsberg (former Camden leader) to take a firm line. Despite other complaints from Camden's minority party, the

⁶⁶ *SLP*, 13 January 1981, p. 1.

⁶⁷ *WBC*, 10 October 1980, p. 3.

⁶⁸ *WBC*, 20 March 1981, p. 3.

⁶⁹ *Ibid.*

⁷⁰ *WBC*, 27 March 1981, p. 3; LBB, Council Agenda, 13 May 1981, p. 979, P and R Committee Report, 30 April 1981; Council Minutes, 13 May 1981, p. 1032.

⁷¹ *HHE*, 8 May 1981, p. 68.

Labour leadership were collaborating with Whitehall over the way they operated the scheme.⁷²

Coercion from ministers and the DoE

At the beginning of February 1981, when Whitehall was beginning to scrutinise the performance of local authorities, Camden's chief executive, Frank Nickson, warned council members that DoE officials had intimated that the Secretary of State was thinking of resorting to his 'default powers' if the borough failed to resolve its problems quickly.⁷³ Nickson also met DoE officials to discuss their concerns.⁷⁴ The Camden leadership reacted by telling their chief officers and NALGO officials that they expected the Act to be implemented.⁷⁵ The council leader, Roy Shaw, blamed the union for delays in carrying out the government scheme, while making concessions over staffing.⁷⁶ He appeared determined to show Whitehall that he did not condone the industrial action and was doing everything possible to make a start on the Right to Buy. While the NALGO dispute was being settled, council officers were in daily contact with the DoE to keep them abreast of developments. In view of these efforts, it is perhaps surprising that John Stanley not only included Camden among the councils sent a formal warning, but also singled out the borough as an example of an authority where little progress had been made.⁷⁷ The probable explanation was that Stanley based his assessment on statistics dating from the beginning of April, and ignored the recent settlement of the protracted NALGO strike.⁷⁸

Roy Shaw's accommodating approach to Whitehall's demands is in marked contrast to the response pursued during the first year by Newham's leader, Jack Hart, resulting from his propensity to muddle through. From the record of the East London borough, it is clear that it was in no hurry to do anything to advance the scheme until Whitehall took a firm stand when it acted in a 'stop-go' fashion. From February 1981 John Stanley put increasing pressure on the borough, demanding to know why the

⁷² LBC, Council Minutes, 31 March 1982, p. 201. Geoffrey Finsberg was a local MP and a junior government minister who was moved to the Department of Health and Social Security in September 1981: *HHE*, 18 September 1981, p. 1.

⁷³ *HHE*, 6 February 1981, p. 1.

⁷⁴ LBC, Housing Management Committee Minutes, Vol. 2, Part 1, Ref: JM/7/25B, Meeting of 29 February 1981.

⁷⁵ LBC, Council Agenda, 1 April 1981, p. 140, Staff and Management Services Committee Report, 16 March 1981; *HHE*, 16 April 1981, p. 64.

⁷⁶ LBC, Council Agenda, 1 April 1981, p. 140, Staff and Management Services Committee Report, 16 March 1981; Council Minutes, 1 April 1981, p. 168; *HHE*, 10 April 1981, p. 80.

⁷⁷ Hansard, HC Deb 15 April 1981 vol. 3 cols 335–43.

⁷⁸ *HHE*, 24 April 1981, p. 68.

council was not selling houses, which provoked the moderate Jack Hart to remark, “We are sick of Government interference”.⁷⁹ While conceding that Newham had no alternative but to implement the Act, Hart was vague about the council’s arrangements, and avoided doing anything to clear the backlog of applications. Accordingly, it should have been no surprise when John Stanley sent the formal written warning that he was contemplating direct intervention.⁸⁰ The Newham leadership took this letter as tantamount to an ultimatum and immediately delegated full authority for the officers to run the scheme, and approved new staffing arrangements.⁸¹ Hart admitted publicly that the only way the council had been able to register a protest against what he called the “idiotic” Act, was to follow a strategy of dragging its feet.⁸²

As in Camden, NALGO’s industrial action in Lambeth was highly disruptive, especially while union officials were surreptitiously impounding mail. Reports in the media alerted Whitehall to the unusual situation and on 4 March 1981, the DoE made its first formal approach. John Stanley commented, ‘if the reports are correct, this action would be the most serious abuse. The Government would expect Lambeth Council to recover the ‘Right to Buy’ documents and fulfil its obligations without delay.’⁸³ Despite naming Lambeth in the Commons, John Stanley was soon satisfied with the way the chief executive, Frank Dixon Ward, dealt with the problem of the interception of mail.⁸⁴ Dixon Ward wrote to the minister, Geoffrey Finsberg, assuring him that the backlog of applications would be ‘processed’ by October 1981, by which he probably meant the sending out of S.10 notices. The council was using the services of the DV, which no doubt pleased Whitehall.⁸⁵

Hackney and Islington were treated more leniently in 1981. Hackney made slow progress in dealing with applications over the first six months; the leadership attributed their refusal to appoint extra staff to lack of resources. Although John Stanley named the borough in the Commons on 1 April, he did not follow this up and the borough kept Whitehall at bay for most of the year. The DoE does not appear to have been unduly perturbed about the slow progress being made in Islington either, despite the Labour group being in no hurry to deal with sales. The moderate housing chairman, Chris

⁷⁹ NR, 12 March 1981, p. 52.

⁸⁰ Hansard, HC Deb 15 April 1981 vol. 3 col 335–43.

⁸¹ LBN, Council Agenda, 14 July 1981, pp. 64–5, Town Planning and Housing Committee Report, 15 June 1981.

⁸² NR, 23 April 1981, p. 10.

⁸³ *The Times*, 5 March 1981, p. 9.

⁸⁴ Hansard, HC Deb 1 April 1981 cols 128–9.

⁸⁵ *SLP*, 6 May 1981, p. 6.

Pryce, made no secret of their strategy. In February 1981 the local press reported him saying, “I hope that we can minimise the damage caused by the compulsory sale of council houses by selling as few as possible.”⁸⁶ In April, when some other London boroughs were named in the house and Whitehall was pressing councils to improve their performance, Chris Pryce again referred to Islington’s resistance: “We are doing the minimum necessary to keep within the law”.⁸⁷ When Whitehall finally caught up with Islington at the beginning of 1982, the Social Democrats had taken control of the council.

Tough negotiations over performance and targets

Chief executives in the boroughs were kept busy in their dealings with DoE officials, who made regular demands for information on progress. Whitehall officials used certain criteria to assess an authority’s performance to ensure that it would meet the exacting targets set by ministers. They demanded assurances that the authority had made sufficient progress in dealing with applications since the time it was found wanting, and that it was committed to an acceptable timetable for progressing sales.⁸⁸ During the first two years or so, Whitehall measured progress mainly in terms of the rate that a council issued S.10 notices in proportion to the number of valid applications received.⁸⁹ The DoE considered these notices, which set out the purchase price and other terms of the sale or lease, to be a crucial stage in the process because the local authority was fully in control of progress up to the point they were issued. Once the council had notified the tenant of the price, delays might be attributable to the purchasers or solicitors acting for them.⁹⁰ The priorities set by the DoE in this way help to explain why the number of sales that an authority completed might not be enough to satisfy ministers. In circumstances where ministers were particularly concerned about lack of progress, they arranged for their department to issue a warning letter on the lines of those sent to Camden, Greenwich and Newham. Where ministers remained dissatisfied with the performance of a borough, they were summoned to a meeting with John Stanley or, exceptionally, Michael Heseltine.

⁸⁶ *IG*, 20 February 1981, p. 5.

⁸⁷ *IG*, 10 April 1981, p. 4.

⁸⁸ Hansard, HC Deb 21 May 1981 vol. 5 col 177W; LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(i) Department of the Environment, Note of meeting held on 21 July 1981 (Doc. 1723).

⁸⁹ An S.10 Notice included the following: the council’s valuation, discount, purchase price and other conditions; also information on the tenant’s right to a mortgage and to appeal for the valuation to be reassessed by the District Valuer.

⁹⁰ Ray Forest and Alan Murie, *An Unreasonable Act? Central-Local Conflict and the Housing Act 1980* (Bristol: University of Bristol, 1985). The judge in the Mather case took a similar view about divided responsibility for delays in completing a sale.

The Camden leadership made strenuous efforts to accelerate its sales procedure in view of John Stanley's warning. They set up a task force in both the valuation and legal sections, with the aim of issuing outstanding S.10 notices by the end of September 1981.⁹¹ As a result, Michael Heseltine lifted the immediate threat of action and in a written Commons answer on 21 May, said of Camden:

I have considered the measures which the authority has taken to ensure that their tenants are able to exercise the Right to Buy effectively and expeditiously, the progress which the authority has made since the beginning of April and its statement of intent as to future progress in implementing the Right to Buy. In the light of these considerations I have decided not to intervene in Camden *at present*. I shall, of course, keep the position under review and I look to the authority to put its intentions into practical effect within the timetable it has indicated.⁹² [Author's emphasis.]

The statement is indicative of Heseltine's general approach in dealing with Labour authorities. The key words here are 'at present', which, with Heseltine's intention to keep progress under review, made it clear that Camden was still under scrutiny.⁹³ Whitehall appears to have been satisfied with Camden's progress over the next 12 months despite the borough not completing its first sale until January 1982.⁹⁴

Brent was one of the first Labour boroughs in this study to complete a sale which took place in June 1981. Yet only the previous month the borough had been named in the Commons among 12 authorities over lack of progress; however, the borough's officers and the DoE were able to agree on procedures for handling sales and on a timetable for future progress.⁹⁵ In March the following year, Brent officers reported to the DoE that their performance on sales was substantially on target.⁹⁶

Over a six-month period between July 1981 and January 1982, John Stanley summoned the leaderships of Greenwich, Newham, Hackney and Lambeth to meetings to account for their performance. Such meetings were preceded by officer-level discussions. As Newham's representatives failed to satisfy the DoE over their programme for progressing sales, Jack Hart reconsidered his approach and undertook to send out the bulk of the S.10 notices by the end of 1981 in an attempt to placate

⁹¹ *HHE*, 15 May 1981, p. 68.

⁹² Hansard, HC Deb 21 May 1981 vol. 5 col. 177W.

⁹³ LBC, Housing Management Committee Minutes, Vol. 2 Part 2, Ref: JM/7/25B, Meeting of 10 June 1981, Appendix 'D'.

⁹⁴ *HHE*, 8 January 1982, p. 56; *WBC*, 15 January 1982, p. 5.

⁹⁵ Hansard, HC Deb 1 May 1981, cols 474–5, written answer by John Stanley; *WBC*, 29 May 1981, p. 1; Forrest and Murie, *An Unreasonable Act?*, p. 209.

⁹⁶ *WBC*, 30 April 1982, p. 5.

Whitehall.⁹⁷ Nevertheless, by November any improvements in relations with the Whitehall were shown to be illusory; John Stanley met Jack Hart and told him that Newham's performance was the "worst in London".⁹⁸ Stanley insisted on the backlog of valuations being cleared by the end of March 1982, and warned that if the borough did not appoint the DV to undertake a substantial number of them, he would take appropriate action.⁹⁹ As he had done earlier in the year over staffing, Jack Hart acted immediately by putting out over half the valuations to the DV.¹⁰⁰

There appeared to be a real threat that the minister would send in his own staff to take over the work, and so Newham officers made concerted efforts to comply with Whitehall's timetable. As a drastic measure, the housing department closed its 'sales inquiry' section so that staff could concentrate on the backlog.¹⁰¹ Despite these efforts, it became clear by February 1982 that the council would fail to meet its agreed timetable for completing valuations.¹⁰² Sir George Young, a newly-appointed parliamentary under-secretary for the environment, admonished Newham in the House of Commons.¹⁰³ Going even further than the earlier remarks of his minister, he described the council's performance as "one of the worst in the country", and repeated the warning about the possibility of intervention.¹⁰⁴ The Newham leadership's reaction was summed up by the housing chairman who complained that his staff were "doing virtually nothing else than dealing with the blessed Right to Buy Act" to the detriment of its other important duties.¹⁰⁵ His exasperation was doubtless shared by leading Labour councillors elsewhere who felt they were under siege.

Meanwhile, the DoE in June 1981 had been critical of Lambeth's performance.¹⁰⁶ In August the DoE gave Lambeth formal warning that the Secretary of State was contemplating intervention.¹⁰⁷ The chief executive offered excuses for the delays, but described how the council's performance would improve despite the

⁹⁷ NR, 28 May 1981, p. 2; 4 June 1981, p. 4; 2 July 1981, p. 45; 20 August 1981, p. 1.

⁹⁸ NR, 3 December 1981, p. 36.

⁹⁹ NR, 3 December 1981, p. 36; Hansard HC Deb 24 February 1982 vol. 18 col. 963.

¹⁰⁰ LBN, Town Planning and Housing Committee Minutes, 30 November 1981, p. 522; NR, 3 December 1981, p. 36.

¹⁰¹ NR, 18 February 1982, p. 12.

¹⁰² NR, 11 February 1982, p. 46.

¹⁰³ Sir George Young had been a Lambeth councillor.

¹⁰⁴ Hansard, HC Deb 24 February 1982 vol. 18 col. 963.

¹⁰⁵ NR, 4 March 1982, p. 5. The housing chairman was Peter Billups.

¹⁰⁶ LBL, Housing Committee Minutes, Ref: LBL/22/41, Meeting of 22 June 1981, Report H.38/81-82.

¹⁰⁷ LBL, Housing Committee Minutes, Ref: LBL/22/42, Meeting of 2 November 1981, Report H.107/81-82 and Appendix A.

NALGO action.¹⁰⁸ A meeting between Ted Knight and John Stanley could not be avoided and was held in January 1982, but the doctrinaire leader appears to have said very little when quizzed about the borough's progress. A note of the meeting simply records that Knight, 'said that the officers had been instructed to implement the Right to Buy provisions of the Act and therefore invited the officers to reply to the Minister'.¹⁰⁹ They did so by providing facts and figures to support their argument that the council was making satisfactory progress on sales.¹¹⁰ These assurances appear to have satisfied Whitehall. Knight's contribution to the discussion seems out of character for a leader who advocated that elected members should be taking control of council business, but the effect of him standing aside demonstrated the absence of political interference with the operation of the scheme.

In contrast to Ted Knight's approach, Hackney's John Kotz adopted an exceptionally aggressive stance in dealings with Whitehall. By late 1981 the DoE was dissatisfied with the council's performance and suggested that it used the services of the DV.¹¹¹ When John Stanley asked to meet the Hackney leadership, John Kotz sent what the *Hackney Gazette* described as 'a scathing reply', accusing the minister of 'paranoia' over progress with the scheme. Although agreeing to meet, Kotz refused to allow the borough's sole Conservative councillor, Joe Lobenstein, to be present.¹¹² At the meeting, Kotz complained that DoE officials were wasting council officers' time by chasing and harassing them. He stressed that the Right to Buy was not a priority for an inner-city authority with enormous housing problems and faced with financial cutbacks.¹¹³ For his part, John Stanley was concerned that only two sales had been completed and urged the Hackney leader to appoint the DV; Kotz refused.¹¹⁴ Dissatisfied with the outcome, Stanley insisted on a second meeting, but by the time it was held, Kotz had been replaced as leader. Forrest and Murie argue that Hackney's slow progress in selling council houses was not primarily political, but was due to the exceptional poverty, housing stress and low owner-occupation in this inner-city

¹⁰⁸ LBL, Housing Committee Minutes, Ref: LBL/22/42, Meeting of 2 November 1981, Report H.107/81–82 and Appendix A.

¹⁰⁹ LBL, Housing Committee Minutes, Ref: LBL/22/43, Meeting of 25 February 1982, Report H.226/81–82. There is always the possibility that council officer making the note may have sanitised the account.

¹¹⁰ Ibid.

¹¹¹ *HG*, 4 December 1981, p. 48; LBH, Council Minutes, 23 December 1981, pp. 548–9; 27 January 1982, pp. 677–8.

¹¹² *HG*, 4 December 1981, p. 48; LBH, Council Minutes, 23 December 1981, pp. 548–9. Kotz makes no reference to Lobenstein in his autobiography.

¹¹³ LBH, Council Minutes, 23 December 1981, p. 549. The only account that we have of the meeting in December is contained in this verbal account by John Kotz which is little more than a political diatribe.

¹¹⁴ LBH, Council Minutes, 27 January 1982, pp. 677–8.

borough.¹¹⁵ However, it is likely that the aggressive attitude adopted by John Kotz did not improve relations with Whitehall.

Having done little to put pressure on Islington for most of the first year of the scheme, John Stanley sent the council a formal warning in December 1981 threatening intervention because he predicted that, at the borough's current rate of progress, it would take four years to clear the backlog.¹¹⁶ Stanley summoned the new SDP leadership to a meeting. During the brief time that they had been in opposition, the Social Democrat group did not appear to be troubled about the slow progress being made on sales. They were no doubt aware that one of their number, Chris Pryce, in his role as Labour's housing chairman had admitted that the council was selling as few houses as possible. But the SDP leader, Jim Evans, was intent on distancing the new party from what had occurred previously. He made it plain that his administration would cooperate fully with ministers:

We support the idea of tenants being able to buy their homes but we are certainly not in favour of the men from Whitehall coming in to take over sales. If our Labour predecessors took action to slow down sales we shall take the necessary action to ensure the law of the land applies.¹¹⁷

Although the SDP leadership ran into minor problems with NALGO over the staffing of Right to Buy work,¹¹⁸ they appear to have complied with ministers' wishes during their brief period in control.

Influence of the new municipal left, 1982–3.

We have seen in Chapter One how members associated with the new municipal left or 'new urban left' took over key positions on some of the London councils. Meanwhile, the result of the elections in Lambeth, followed by an extraordinary decision by the outgoing mayor to use his casting vote in support of the Conservative candidate, had enabled the Conservatives to gain temporary control of the hung council. In the boroughs where the new municipal left became dominant within the group, Labour's political opponents expected that the council would become even more awkward about selling houses; thus they looked for opportunities to attack the new administrations. For instance, in Southwark a Conservative Party representative accused the new municipal

¹¹⁵ Ray Forrest and Alan Murie, *Selling the Welfare State: The Privatisation of Public Housing* (London, Routledge, 1988) pp. 192–4 and 207–10.

¹¹⁶ *IG*, 11 December 1981, p. 5.

¹¹⁷ *Ibid.*

¹¹⁸ *IG*, 19 February 1982, p. 2.

left of being, ‘totally opposed to house sales and ... obstructive to people who try to buy.’¹¹⁹ The increasing influence of the new municipal left within Greenwich Labour group led to some scathing attacks from Conservatives and Social Democrats both inside and outside Parliament, as described in the next Chapter.

Contrary to common perceptions about the new municipal left, when it came to presiding over the Right to Buy scheme, they proved to be no more obstructive than the previous Labour administrations. If anything, the new leaderships appeared to be keen to assure their critics that they would comply with the legislation, though remaining resolutely opposed to council house sales in principle. Southwark’s new leader, Alan Davis, denied a suggestion from the Tory group that the new administration would do all it could to evade its legal obligations on sales.¹²⁰ Adherence to the new municipal left’s constitutional approach is illustrated by a formal motion put forward by a new Southwark councillor, Jessica Wanamaker, soon after the May elections.¹²¹ The motion declared that, ‘This Council deplores the ‘Right to Buy’ provisions of the 1980 Housing Act. We therefore commit ourselves to launching a publicity campaign which would highlight the short and long-term detrimental effects of the legislation upon Southwark’s housing stock.’¹²² Wanamaker’s idea was no different from what Old Guard and centrist Labour councils had done during the early days of the government scheme.¹²³ In Hackney the Labour group’s policy was set out succinctly in its May election manifesto as being opposition ‘within the confines of the law.’¹²⁴ The new leadership assured their opponents on this point, and provided a solution to the problem of high valuations by appointing private firms to undertake sample valuations and making a commitment to accept them.¹²⁵

When John Stanley met the new leaders of Hackney and Southwark to discuss progress, they were able to resolve their differences to the extent that there were no further repercussions in the period covered in this study. Southwark reached agreement on a revised programme for handling sales on the basis that they would be completed

¹¹⁹ *SLP*, 5 November 1982, p. 6.

¹²⁰ LBS, Council Minutes, 7 July 1982, p. 58.

¹²¹ Jessica Wanamaker was active in community arts projects and helped her father, Sam Wanamaker, in the rebuilding of the Globe Theatre in Southwark. Sue Goss, who sat with her on the housing committee, describes her as an ultra-leftist who was full of energy and ideas.

¹²² LBS, Council Minutes, 7 July 1982, p. 63.

¹²³ As mentioned in Chapter Six.

¹²⁴ LBH, Council Minutes, 30 June 1982, unnumbered pages following p. 205 and ‘Labour Party Manifesto’, p. 6.

¹²⁵ LBH, Council Minutes, 28 July 1982, p. 323; 30 June 1982, p. 195–6.

expeditiously, provided that the tenants' solicitors reciprocated.¹²⁶ Hackney's Anthony Kendall settled on a timetable for improving progress on sales and agreed with the minister that problems of a technical nature be delegated to the town hall staff to resolve with DoE officials. Issues removed in this way from the political arena included the problem of high valuations and the conflicting legal advice on service charges on flats.¹²⁷ Kendall's handling of these discussions was in marked contrast with the confrontational approach adopted by John Kotz at the earlier meeting. Even so, Kendall was no less uncomplimentary about the minister in his comments for public consumption:

Mr Stanley is concerned only with the people who want to buy their own homes. He does not care about the other 180,000 Hackney residents, many of whom suffer poor housing conditions because our budget has been slashed by government cuts.¹²⁸

Both Camden and Islington managed to avoid the attention of the minister, or at least kept 'under the radar'. By January 1983 Camden had sold only about 150 houses, apparently the lowest of any local authority in the country.¹²⁹ There was a notable admission of defiance in this period when in March 1983, Islington's chairman of housing, Chris Smith, openly admitted that the council was purposely operating the sales scheme as slowly as it could in terms similar to his predecessor, Chris Pryce.¹³⁰ Smith told the *Islington Gazette*, 'We make no secret of the fact that we think the Right to Buy deprives our tenants of opportunities they should have. Our policy has been successful. It has meant relatively few of our properties have been sold.'¹³¹ The veracity of Chris Smith's statement is borne out by the then council leader, Margaret Hodge, who recalls that, in operating the Right to Buy, the council aimed to be administratively slow, especially over undertaking valuations and making offers to prospective purchasers.¹³² Nevertheless, the former councillor David Hyams, who joined the SDP, suggests that although it is probable that the Islington officers were instructed to be slow in dealing with tenants' applications, he does not recall them being obstructive.¹³³

¹²⁶ LBS, Council Minutes, 7 July 1982, p. 58; Council Agenda, 4 March 1983, p. 637, Housing Committee Report, 19 January 1983. The new administration improved its reporting procedures on the progress of sales.

¹²⁷ LBH, Council Minutes, 28 July 1982, pp. 323–4.

¹²⁸ *HG*, 27 July 1982, p. 5.

¹²⁹ LBC, Housing Management Committee Minutes, Vol. 3, Ref: JM/7/25B, Meeting of 26 January 1983, Appendices 'F' and 'G'; *HHE*, 4 February 1983, p. 10.

¹³⁰ Chris Smith, later MP for Islington South and Finsbury (1983–2005); in 2005 he became Lord Smith of Finsbury. Smith's openness was apparent in 1984 when he became the first MP to come out as being gay.

¹³¹ *IG*, 18 March 1983, p. 2.

¹³² Author's interview with Margaret Hodge, 18 July 2012.

¹³³ Author's interview with David Hyams, 24 May 2012. Later Hyams bought his own council flat.

Michael Heseltine issued a second formal warning of intervention, but it remained just a threat. Greenwich held to the view that it was meeting the legal requirements of the Act and that its rate of sales exceeded that of many other councils.¹³⁴

During the municipal year 1982–3 there was a marked difference in Whitehall's assessment of the progress being made by Brent and Newham. The former had relatively quiet relations with the DoE for some eight months before the local elections, whereas Newham had a hard time. For the remainder of the year, it was Brent which experienced a more difficult passage over its performance, but Newham's relationship with Whitehall improved due to its performance.¹³⁵

John Stanley's aggressive stance towards Brent began during mid-1982 when he summoned the leadership to a meeting about a decline in the borough's performance.¹³⁶ However, the *Willesden and Brent Chronicle*, which was usually critical of the council's performance, pointed out that the record on sales surpassed not only Camden's, but that of Conservative-controlled Westminster.¹³⁷ John Stanley and the leader, Tom Bryson, gave conflicting accounts of what took place when they met. In the town hall's press release, Bryson reported that the Minister was now satisfied with the progress being made.¹³⁸ But when Rhodes Boyson forwarded a copy of the statement to Stanley, the minister contradicted it in his response:

It is completely incorrect to say I am satisfied with council house sales. I am very surprised that Councillor Bryson should suggest that I am. I pointed out to the council their recent progress was very slow by any standards. Indeed I reminded them they were still under formal warning that powers of intervention might be used.¹³⁹

Nevertheless, there is no evidence of serious repercussions during the period leading up to the 1983 general election.

With the Conservatives running Lambeth council for awhile, a local pressure group, Lambeth Homebuyers Association, came to the fore with a campaign to support prospective purchasers.¹⁴⁰ In similar circumstances to those faced by the Social

¹³⁴ *KI*, 16 December 1982, p. 19.

¹³⁵ See Appendix 5; *NR*, 8 July 1982, p. 54.

¹³⁶ *WBC*, 30 July 1982, p. 4.

¹³⁷ *Ibid.* For Brent and Camden, see Appendix 5.

¹³⁸ *WBC*, 29 October 1982, p. 12.

¹³⁹ *Ibid.*

¹⁴⁰ *SLP*, 29 June 1982, p. 16, letter from Mrs H. R. Maitland [etc] Lambeth Homebuyers Association. Mrs Maitland was to be co-opted onto the council's housing committee, to the disapproval of the Labour group which quickly ended her membership when they regained control: *SLP*, 12 November 1982, p. 13; 17 December 1982, p. 37.

Democrats when they took control of Islington six months earlier, the new Lambeth leadership were required to attend a meeting with John Stanley. This was a mere three weeks after they took control from Labour. The minister took the opportunity to put proposals to his fellow Conservatives which amounted to an ambitious programme; the new leadership placidly accepted,¹⁴¹ committing the council to an exceptionally tight timetable.¹⁴² It was clear that with the new targets the council would have to accelerate the throughput of sales, but this could not be achieved with the staffing levels inherited from the reluctant Labour administration.¹⁴³ The Conservatives moved quickly, so that within about three weeks of meeting the minister they had established six new housing and legal posts, against opposition from Labour members, and funded the cost by means of a 'supplementary estimate'.¹⁴⁴ When Labour was returned to power the leadership does not appear to have taken any immediate steps to alter the staffing set up by the Conservatives.

Conclusion

It is evident that in accepting that councils had little choice but to implement the Right to Buy legislation, Labour leaders were intent on doing the minimum necessary to operate the scheme. Typically, during the first year or two that the legislation was in force, the Labour boroughs went through the motions of running the government scheme, but only made sufficient progress in handling applications to stave off the Secretary of State intervening directly. Rather than contravening the law, Labour leaders appear to have encouraged staff to 'hurry slowly' in implementing the cumbersome procedure for responding to tenants' applications laid down in the 1980 Act. For several months Greenwich and Southwark imposed bureaucratic procedures which were particularly time-consuming. Later, Islington's housing chair, Chris Smith, went so far as to admit that the council operated the sales scheme as slowly as it could.

¹⁴¹ LBL, Housing Committee Minutes, Ref: LBL/22/44, Meeting of 21 June 1982, Report H.40/82-83. The note of the meeting in this report is sparse, but includes a summary of the minister's requests, without any response from the council representatives as to whether these were achievable.

¹⁴² LBL, Housing Committee Minutes, Ref: LBL/22/44, Meeting of 21 June 1982, Report H.40/82-83. What is noticeable about the statistics produced by the new Conservative administration for the committee is that they provide considerably more detail than previously.

¹⁴³ LBL, P and R Committee Minutes, Ref: LBL/94A/7, Meeting of 12 July 1982, Report P&R.30/82-83.

¹⁴⁴ LBL, P and R Committee Minutes, Ref: LBL/94A/7, Meeting of 12 July 1982, Report P&R.30/82-83; Council Agenda, 21 July 1982, pp. 164-7, P and R Committee Report, 12 July 1982. LBL, Council Minutes, 1 December 1982, pp. 418-20.

Local politicians had some valid excuses for delays due to staffing and legal problems, but as any hold-ups fitted in with a strategy of selling as few houses as possible, their critics were seldom convinced. Where NALGO took industrial action which had a serious impact on sales, Labour leaders could claim that disruption was unavoidable. Most administrations were averse to creating permanent posts for the scheme to satisfy union grievances because the same Whitehall department which was pressing them to improve on performance, was also requiring them to reduce staff costs. Parts of the legislation were complex, particularly in relation to assessing service charges for leasehold flats, and there was conflicting legal advice on interpretation. Greenwich had legal backing for their refusal to accept Whitehall's solution of using the DV to clearing the backlog of valuations, a stance supported by the AMA. Yet some authorities were prepared to compromise. While some councils deployed minimum reinforcements to their housing departments, Brent appointed three extra staff to work on sales, and accepted DoE advice on drafting lease terms. Camden, Lambeth and Newham appointed the DV to act for them on valuations.

Local Conservatives were resourceful in pressing reluctant councils to make progress. They brought attention to the many complaints from prospective purchasers about the way that the boroughs dragged their feet over handling all stages of the sales process from issuing application forms through to completing the legal work on sales. Such information was significant because a high volume of complaints was taken seriously by ministers in monitoring the throughput of each 'recalcitrant' borough (as the leadership in Norwich found to their cost). Nevertheless, some complaints were misplaced, as where the Act gave an authority discretion over acceptance of an application when the council was not the freeholder. During the first year of the scheme Camden, Greenwich and Newham had to contend with pressure from Whitehall, while Brent and Hackney were also 'named'. But sooner or later over the period under review (i.e. up to mid-1983), the performance of all eight boroughs was placed under scrutiny by the DoE. In assessing the extent to which the eight councils achieved their aims, few sales were completed during the first full year of the scheme (1981–2). An exception was Lambeth, which ironically was the only borough controlled by a hard-left administration. This anomaly probably arose from the chief executive's response to the embarrassing disclosure of improper conduct by shop stewards. More widely, the rate of sales increased during the second year, with particularly high numbers in Greenwich and Newham following sustained pressure from the DoE. The improvement in relations

between the boroughs and the DoE following the 1982 elections is perhaps surprising in view of the increasing influence of the new municipal left. Left-wing leaders in Hackney and Southwark proved more accommodating to the wishes of ministers than their predecessors. There was no noticeable falling off in the rate of sales leading up to the 1983 general election in the hope of a Labour victory.

Camden's performance in meeting its legal obligations under the 1980 Act stands out in contrast to its defiance of the Housing Finance Act 1972. The leadership quickly made special efforts to satisfy the DoE in its demands, unlike boroughs such as Newham which did little work on the scheme initially until galvanised into action when the minister presented them with an ultimatum. Greenwich, by comparison, not only declared its defiance initially, but employed an array of tactics in its endeavours to resist the government's intentions for the scheme, as will be demonstrated in the next chapter. Local Conservatives and Social Democrats did not miss an opportunity of accusing Labour councils of acting unreasonably there.

CHAPTER EIGHT:

GREENWICH AND THE RIGHT TO BUY SCHEME

Greenwich was in many respects a different sort of borough from Camden, the other ‘rebel’ borough in this study. Though both the constituent boroughs, Woolwich and Greenwich, had been part of the LCC area before amalgamation, it was farther-flung from the centre of the metropolis and was later to be classed as Outer London for town planning purposes. Unlike Camden, it did not have a toe in central London and before the improvement in its public transport links in the last decade of the twentieth century, it was a little cut off from London north of the river. This was accentuated by local loyalties to the long-established towns of Greenwich and Woolwich (and also to the part of Deptford which was not incorporated into Lewisham). In 1964 Herbert Morrison observed that Woolwich, which formed the larger proportion of the new London borough, ‘doesn’t quite feel that it’s part of London. It feels it’s a town, almost a provincial town.’¹ Until the town’s industrial employment rapidly declined from the 1970s, there was little commuting to central London, and even in 1980 many local people did not think of themselves as Londoners.² It is therefore not surprising that the local newspaper, the *Kentish Independent*, retained its old county name until it folded in 1984. Apart from the area’s long association with the Royal Arsenal, the military and riverside industries, Woolwich has had an impressive Labour history originating from the early days of the party. In 1904 the town was the first district in England to be represented by Labour at all levels of government and Poor Law Union: metropolitan borough, LCC and in Parliament with Will Crooks as MP.³ It had a well run Party organisation as was recognised by Herbert Morrison who chose to live in Eltham from 1923 until the end of his life.⁴ Woolwich Borough council gained a reputation for being a leading provider of housing in London, a position recognised by the LCC in the 1950s, and this experience informed the expansive redevelopment policy of new Greenwich council under its housing chairman, Joyce Carroll.⁵

¹ Peter Guillery (ed.) *Woolwich*: general editor, Andrew Saint, *Survey of London* vol. 48 (New Haven: Yale University Press, 2012) p. 1.

² Bernard Donoughue and G. W. Jones, *Herbert Morrison, Portrait of a Politician* (London: Weidenfeld & Nicolson, 1973) p. 85; Tony Aldous, *The Illustrated London News Book of London’s Villages* (London: Secker & Warburg, 1980) p. 155.

³ Donoughue and Jones, *Herbert Morrison*, p. 83.

⁴ *Ibid.*, pp. 85, 171 and 553.

⁵ E. F. E. Jefferson, *The Woolwich Story 1890–1965* (London: Woolwich and District Antiquarian Society, 1970) pp. 399–404; Miles Glendinning and Stefan Muthesius, *Tower Block: Modern Public Housing in England, Scotland,*

This third chapter on the responses to the Right to Buy legislation is devoted to Greenwich because it was the council which mounted the strongest resistance in London. The chapter spans the years from 1979 to 1983, as with Chapters Six and Seven. The first part of the chapter describes how the Labour group formalised its well established policy of opposing council house sales by adopting a hard-line approach to rejecting the Right to Buy. It explains why the Labour group reversed its policy in January 1981, and explores the nature of splits that occurred within the group over the issue. The second part of the chapter reviews the tactics employed by Greenwich when administering the Right to Buy scheme with the aim of ensuring that buying a council house was made as difficult as possible. It traces the increasing pressure applied by government ministers who, with the aid of Whitehall officials, were intent on coercing Greenwich to improve its performance. It reviews the role played by local Conservatives in supporting the government's new policy and encouraging prospective purchasers in their endeavours.

8.1: A SHOW OF DEFIANCE

In the early years of the 1970s, Greenwich Labour group took an active part in opposing the sale of council houses when the Conservatives were in control of the council. In 1971 the incoming Labour administration under John Cartwright immediately abandoned the sales scheme by aborting all transactions where there was no legal requirement to complete a sale.⁶ Towards the end of the decade, the Labour group again took the opportunity to put into practice its policy of opposing council house sales when negotiating the transfer of housing stock from the Greater London Council (GLC) to the borough. For some time the GLC had been actively promoting sales to its tenants under an initiative associated with its Conservative leader, Horace Cutler.⁷ The scheme was so successful that at the beginning of 1979, County Hall was in the process of selling over 500 homes on its estates in Greenwich Borough.⁸ The Greenwich team charged with negotiating the transfer were determined to put an end to these sales, so insisted on the GLC giving firm assurances that it would neither continue to offer tenants the option to

Wales and Northern Ireland (New Haven: Yale University Press, 1994) pp. 270 and 277–8; Guillery, *Woolwich*, pp. 318 and 442–3.

⁶ *SELKM*, 20 May 1971. See Chapter Two.

⁷ See Chapter Two.

⁸ GLC, Minutes of Proceedings, 13 December 1977, pp. 483; LBG, Council Agenda, Management Committee Report, 5 February 1979 and Council Minutes, 14 February 1979 (Docs 1113 and 1114).

buy, nor accept new applications under their scheme.⁹ The GLC concurred and arranged things so that unless there was a legal contract with a tenant-purchaser, it would abandon any uncompleted sales by 1 April 1979, which was several months ahead of the projected date for the handover.¹⁰ The way that Greenwich was determined to enforce its policy was demonstrated by its treatment of one disappointed tenant whose purchase failed to go through by the deadline due to a 'bureaucratic bungle', according to the local press. Despite the GLC's handling of the sale being the subject of a critical report by the local government ombudsman, Greenwich refused to resume the sale.¹¹ A few weeks before the Right to Buy scheme came into force, the council endorsed its decision, so the tenant had no option but to start again by reapplying under the 1980 Act.

Opposition to house sales

In view of the reputation which Greenwich had established in opposing the voluntary sale of houses, it was to be expected that it would be a foremost opponent of the Right to Buy scheme. With the election of a Conservative government in May 1979 and Michael Heseltine's announcement of its intentions, the leader of Greenwich Council, Arthur Capelin, went on the offensive over the two major issues facing Labour councils: public expenditure cuts and the sale of council houses. Capelin made it clear that he had no intention of cooperating with the government on either policy, in view of the Labour Party's mandate from local inhabitants at the local elections.¹² His main criticism of sales was that they were likely to frustrate the council's aim of moving families with children who were living in flats to houses with gardens, a point that was made repeatedly by the Labour group. Later in 1979, Greenwich took the opportunity of registering its opposition to council house sales when applying to the DoE for an allocation of capital for new building and improvements under the Housing Investment Programme (or HIPs). This type of annual bid by a local authority usually included a document setting out the council's housing strategy.¹³ During 1979, when inviting bids for the following financial year, the DoE requested information, 'on the capital and

⁹ There was a split in the Greenwich Labour group over accepting the transfer, but it went ahead against the wishes of the leader, as explained later in this chapter.

¹⁰ LBG Council Minutes, Management Committee Report, 5 February 1979, and Minutes of the Council, 14 February 1979 (Docs 1113 and 1114).

¹¹ *KI*, 11 September 1980, p. 5.

¹² *KI*, 31 May 1979, pp. 1 and 32.

¹³ HIPs were a form of government control over both the level of expenditure and the uses to which it was to be put. The system was set up by the previous Labour government: see Peter Malpass and Alan Murie, *Housing Policy and Practice*, 5th edn (Basingstoke: Palgrave, 1999).

revenue implications of Council house sales in 1980/81'.¹⁴ Greenwich responded that selling houses would run counter to the aims of its housing strategy. It told the DoE:

In view of the increasing housing waiting list, the rising pressure from homeless families, also the large number of families, with children, living in flats and in need of better housing, the Council does not feel that the sale of council houses will assist its housing objectives, as this would lead to a loss of housing opportunities for both tenants and housing applicants.¹⁵

The following year the council made similar comments in its HIPs bid for a capital allocation.¹⁶ By categorically telling the DoE that Greenwich did not anticipate that any houses would be sold during the financial year 1981–2, it was effectively announcing that it was unlikely to collaborate with the government over the new legislation.

As explained in Chapter Six, the Association of Metropolitan Authorities (AMA) wrote to the London boroughs, asking for their views to enable it to respond to the DoE. Councillor Jim Gillman, the housing chairman, was forthright in his condemnation of the government scheme, saying emphatically that the Right to Buy was “rejected by this council”. In support of this stance, he repeated the point about affecting the prospects of moving families out of flats and added that the quality of the housing stock would be reduced because tenants in “the more desirable properties” would want to buy.¹⁷

In the spring of 1980, when the council officers briefed the members on the contents of the Bill, they were unusually scathing (for public officials) in their criticisms. They stressed the loss of local autonomy, commenting:

There has been much criticism of this element of the Bill, not least because it removes nearly all local discretion. The local authority must dispose of a community asset and has almost no control of the price at which it is sold, it must give a mortgage as a right, however bad the payment record of a tenant is and without any consideration of the age and financial means of the tenant to repay the mortgage.¹⁸

The officers took exception to the involvement of the District Valuer (DV) in tenants' appeals, arguing on counsel's advice that the valuations should be the sole responsibility

¹⁴ LBG, Council Minutes, p. 161, Management Committee Report, 24 September 1979 (Doc. 1216).

¹⁵ Ibid.

¹⁶ LBG, Council Minutes, p.74, Housing Committee Report, 3 July 1980 (Doc. 1413).

¹⁷ LBG, Housing Committee Agenda, 22 November 1979, p. B11–12 (Doc. 1237).

¹⁸ LBG, Housing Committee Agenda, 3 April 1980, Item B.11, Appendix B.11 (a) (Doc. 1329).

of the borough valuer, with any appeals being referred to the Lands Tribunal.¹⁹ The Bill failed to allow the council to appeal as the price set by the DV was final.²⁰

The report followed the practice of drawing members' attention to the Secretary of State's powers of intervention, but, unconventionally, the officers mentioned the possibility of a campaign of opposition: 'the enforcement/default powers reserved to the Secretary of State may prove ineffective if there is widespread non co-operation with the implementation of this part of the Bill, especially if a significant number of tenants attempt to exercise the Right to Buy.'²¹ In view of the way this part of the report touched on overtly political action, it seems likely that there had been discussions with the leadership over the contents of the Bill, so that the officers' advice was influenced by the Labour group's approach to sales. The council's in-house solicitor commented on the proposals for some exceptional powers being bestowed on the Secretary of State. He took exception to the Environment Secretary in circumstances where he decided to take over a council's housing service, being given the power to give directions to local authority officers that conflicted with the council's instructions. He suggested that this option was included to enable Whitehall to take on the soft target of individual legal officers over the heads of the elected members. The solicitor suggested that this was improper because it was a requirement of the legal profession that solicitors must 'act in accordance with the instructions of their clients or cease to act'.²² Apparently, the AMA had commented adversely on the predicament that would be faced by local government officers if the clause were to be invoked.

As early as July 1979, Jim Gillman told the *South East London and Kentish Mercury* that, "if the Government intends to force the issue by invoking the law, I am personally quite prepared to face all the consequences. I am adamantly against the sale of council houses – and I am prepared to go all the way."²³ Conservative councillors seized on Gillman's statement by construing the words as meaning that he would prefer to go to gaol than sell council houses, and claimed that Gillman had made similar comments at council meetings. When they quizzed the leader, Arthur Capelin, he replied that he had not heard Gillman say any such thing *at a council meeting*.²⁴ Early in

¹⁹ The Lands Tribunal was set up in 1949 to adjudicate on certain property and rating disputes. It has been succeeded by the Upper Tribunal (Lands Chamber).

²⁰ LBG, Housing Committee Agenda, 3 April 1980, Item B.11, Appendix B.11 (a) and (b) (Doc. 1329).

²¹ Ibid.

²² LBG, Housing Committee Agenda, 3 April 1980, Item B.11, Appendix B.11 (b) (Doc. 1329).

²³ *SELKM*, 26 July 1979, p. 1.

²⁴ LBG, Council Minutes, 25 July 1979, p. 110 (Doc. 1187). Italics added by the author.

1980 Jim Gillman unexpectedly resigned his housing chair, for reasons unconnected with house sales, but he remained on the committee, taking an active role in the opposition to Right to Buy. Councillor Aleyne Friesner, the former vice-chair, took over from Gillman.²⁵

At the council meeting in March, the Conservative opposition asked Friesner whether council tenants would soon be given the option to purchase their homes in view of an impending rent rise. In a measured response, Friesner said, “So far as purchasing is concerned, at the present time our tenants do not have that option, and I personally will take a considerable amount of convincing before I am persuaded, or until I have got no other option but to sell.”²⁶ Later in the year, Friesner was to take a key role as housing chair in the council’s stand to defy the government.

The Greenwich Conservatives were well aware that the Labour group was likely to put up resistance to implementing the Right to Buy scheme. In July they were put on their guard on learning of a standard acknowledgement letter the officers were sending to any tenant who notified them that they were interested in buying. Aleyne Friesner had personally intervened in the wording of the letter, which said bluntly that it was not the council’s policy to sell and gave the reasons.²⁷ Friesner told Conservative members that a full reply could not be sent to tenants until the council had decided on its response to the new Act, but that there had been no opportunity to study the details.²⁸ Already the council’s leadership were giving a strong indication that they were likely to be awkward in handling applications.

A minor rebellion or playing for time

The Labour group had not settled its policy on the Right to Buy when the scheme came into operation on 3 October. In a report accompanying the agenda for a housing committee meeting on 9 October, the officers briefed the members on the implications of the legislation and asked to give them directions or, as they put it, ‘to indicate how [the committee] wishes to proceed.’²⁹ But the Labour majority played for time by arranging for a special meeting to consider the new legislation on 4 November.³⁰ Although no longer in the chair, Jim Gillman publicised his reasons for opposing the

²⁵ See Chapter Two.

²⁶ LBG, Council Minutes, 26 March 1980, p. 415 (Doc. 1324).

²⁷ LBG, Council Minutes, 30 July 1980, pp. 111–12 (Doc. 1414).

²⁸ Ibid.

²⁹ LBG, Housing Committee Agenda, 9 October 1980, Item A.15 (Doc. 1450).

³⁰ KI, 16 October 1980, p. 1.

government scheme in a letter to the local press. He said that he considered the government scheme to be ‘financially and morally wrong’, words that were restated by members of the Labour group over the next few weeks.³¹ Gillman argued that they had a mandate for opposing sales as the Greenwich people had voted for that policy by electing an overwhelming number of Labour councillors.³² He repeated the point about tenants with children in flats who were waiting to be transferred to a house. This prompted the Conservatives to respond that families in flats would be no worse off, because council tenants renting a house usually remained there indefinitely. They argued that as council tenants now had the legal Right to Buy the views of the housing committee were immaterial.³³

At the special committee meeting on the legislation, the officers warned of the implications of defying the government, ominously highlighting the Secretary of State’s discretionary powers. Nevertheless, in its report to full council, the committee made the firm recommendation, ‘that this Council declines to implement the part of the Act relating to “Right to Buy,” on the grounds that to do so would be economically stupid and morally wrong.’ Also, it wanted the officers to return all application forms received from tenants, with a pamphlet explaining the council policy.³⁴ At the time the town hall had received 880 completed applications (RTB1 forms).

At the full council meeting the following day (5 November), Aleyne Friesner and others repeated the usual arguments for the stand being taken. Implausibly, Arthur Capelin, the council leader, suggested that the policy was legitimate, on the grounds that the Act was not mandatory: “We are not breaking the law. This act gives a Right to Buy. But there is no obligation to sell. There is a provision in the act whereby the Secretary of State can process tenants’ applications to buy where a local authority would not do so”.³⁵ Capelin’s argument was similar to the one put forward by some Labour politicians over the 1972 Housing Finance Act, essentially that the Secretary of State should be left to do his own dirty work. The Conservatives countered by declaring that the Labour group would certainly be breaking the law, and that individual council members could be surcharged. Councillor Dermot Poston, who had become leader of the Conservative group in March, invoked the example of Clay Cross and warned of

³¹ *KI*, 23 October 1980, p. 6.

³² *Ibid.*

³³ *KI*, 30 October 1980, p. 20.

³⁴ LBG, Housing Committee, Special Meeting Report, 4 November 1980, pp. 221–2 (Doc. 1479); TNA, HLG 118/3836, ‘Background Note – Right to Buy: Action by London Borough of Greenwich’.

³⁵ *KI*, 13 November 1980, p. 13.

Labour councillors becoming “Greenwich housing martyrs”.³⁶ On the issue being put to the vote, the recommendations from the housing committee were adopted, although three Labour members dissented from their group’s policy by voting with the Conservatives for implementation.³⁷

The minor rebellion in a corner of south-east London was by now national news, and *The Times* reported the next morning on its significance.³⁸ According to the report, there were other authorities in Britain threatening to refuse to implement the Right to Buy, but Greenwich was ‘the first to declare open defiance’.³⁹ It predicted that the DoE was likely to hold discussions with council members before contemplating any action to enforce sales. The reporter seems to have been well informed, because a week later the DoE made the first formal approach to Greenwich about its performance, as amplified later in this chapter.⁴⁰ Arthur Capelin described the resolution passed in the council chamber as “a stand for local democracy against the dictates of central government”.⁴¹ In contrast, the Conservative Dermot Poston had no qualms about government intervention on this issue, as he urged prospective purchasers to appeal to Whitehall, over the heads of the council, if they did not receive a satisfactory response to their applications.⁴²

As was patently clear when three dissenting councillors voted with the opposition, not all members of the Labour group went along with the official policy of defying the government. The split which was opening up was similar to the division that had occurred over the Housing Finance Act. The ‘dissenters’, Charles Brooker, Derek Dean and Margaret Dean, held official posts on the council: Margaret Dean was mayor, while the other two held committee chairs and sat on the policy-making management committee.⁴³ It is significant that in 1972 all three had similarly dissented from the official group policy and were involved in overturning the decision to defy the government over rent increases.⁴⁴ The long-serving member Allan MacCarthy, who was on the council at the time, recalls that among members who never supported defiance

³⁶ KI, 13 November 1980, p. 13.

³⁷ LBG, Council Minutes, 5 November 1980, p. 222 (Doc. 1479); KI, 6 November 1980, p. 1.

³⁸ On 5 November, the housing committee in Brent formally congratulated Greenwich on its stand: LBB, Council Agenda, 3 December 1980, p. 494, Housing Committee Report, 5 November.

³⁹ *The Times*, 6 November 1980, p. 4. The reporter was John Young.

⁴⁰ Forrest and Murie, *Selling the Welfare State*, pp. 208–9.

⁴¹ SELKM, 13 November 1980, p.12.

⁴² Ibid.; KI, 13 November 1980, p. 2.

⁴³ KI, 13 November 1980, p. 13. All three councillors represented wards within the boundaries of Woolwich Labour Party.

⁴⁴ LBG Council Minutes, 26 July 1972, p. 129 (Doc. 352).

was an Eltham faction within the group that included these councillors and Marie Kingwell.⁴⁵

After the decision on 5 November, dissension within the Labour ranks began to grow. At a Labour ward meeting in Abbey Wood, which was part of the Woolwich area, a resolution was passed in support of council houses sales.⁴⁶ This grew out of a campaign being waged by a local Labour member over what he perceived as major failings in the council's management of its estates.⁴⁷ By early December representatives of the Conservative group were claiming that Abbey Wood Ward's adoption of a pro-sales policy was only the beginning of a fight back against council policy, and that there was a serious split in the Labour group. Conservatives claimed that the three members who voted against the Labour group's policy were not isolated, because seven of them were absent from the crucial meeting on 5 November. The opposition chief whip claimed that:

A number of people who were under the impression that they were not breaking the law are now realizing by voting against the sale they have put the council in default of the Act. They personally may incur heavy surcharges and be debarred from public office."⁴⁸

In view of what happened over the next few weeks, it became clear that the opposition on the council were not just playing politics about dissension within the Labour ranks.⁴⁹

The Labour leadership decided to review its policy in view of growing concern over the risks involved in continuing with a defiant stand. The officers provided the housing committee with fresh advice in the light of correspondence conducted with the DoE. They warned that by refusing to implement the Act councillors were putting themselves at risk of being surcharged for any financial loss which might arise if the Secretary of State decided to intervene.⁵⁰ The committee heeded this advice, but continued to play for time by recommending the full council to defer making a final decision; instead, they should arrange for the officers to urgently procure 'final legal

⁴⁵ Author's interview with Allan MacCarthy, 8 June 2012. It is fitting that the Eltham members held fast to a constitutional view as it was the part of the former Woolwich Borough where Herbert Morrison lived for most of his political life.

⁴⁶ *KI*, 27 November 1980, p. 40.

⁴⁷ *Ibid.*; LBG, Housing Committee Agenda, 8 July 1981, Item no. A.22 (Doc. 1516).

⁴⁸ *KI*, 4 December 1980, p. 2. The Conservative chief whip was Peter Bassett.

⁴⁹ *KI*, 4 December 1980, p. 2.

⁵⁰ LBG, Housing Committee Report, Special Meeting, 10 December 1980, pp. 270–1 (Doc. 1507); *KI*, 18 December 1980, p. 7. The advice by the Greenwich officers had similarities with that given about defying the Housing Finance Act.

and financial advice' by liaising with Whitehall officials.⁵¹ Committee members thought that willingness to consult the DoE would reduce the risk of penal action because it would demonstrate that Greenwich was willing to reconsider its policy.⁵²

At the debate at full council on 10 December the magnitude of the split in the Labour group became clear. Nine dissenting Labour members forced a division on the grounds that it was unnecessary to postpone implementation. They failed to overturn the official Labour policy by only six votes. One of the 'dissenters' who spoke during the debate was Marie Kingwell. Having declared her opposition to the government scheme, she admitted that she was concerned about the risk of being surcharged and barred from office. She said categorically, "In my 28 years of public office I have never broken the law and I'm not about to do so."⁵³ This affirmation of a constitutional view was taken up by the Conservative side, who argued that councillors were not at liberty only to abide by laws with which they agreed. This view was challenged by a Labour councillor: "Let's not have this humbug. Numerous people throughout history have broken the law." He cited the actions of suffragettes for making it possible for there to be a woman as prime minister and as mayor of Greenwich (Margaret Dean).⁵⁴ Councillor John Austin-Walker argued that any decision over selling council houses should be settled at a local level, to reflect the particular circumstances. He concluded, angrily: "Let Mr. Heseltine come in and do the dirty work himself."⁵⁵ On this occasion, when the time came for the division, as many as nine dissenting Labour members supported a motion by the Conservative leader Dermot Poston that instead of waiting for more advice from the officers, the council should rescind its earlier resolution and 'carry out its duties under the 1980 Act without delay'. This was narrowly defeated by 31 votes to 25.⁵⁶ The 'dissenters' again joined the Conservatives by voting unsuccessfully against a motion in support the official Labour policy.⁵⁷ Significantly, seven of the dissenters who had been council members in 1972, took a constitutional line on both occasions.

When the chief executive resumed his dialogue with the DoE, he established the departmental view on circumstances in which councillors might be at risk of penal

⁵¹ LBG, Housing Committee Report, Special Meeting, 10 December 1980, pp. 270–1 (Doc. 1507).

⁵² Ibid.

⁵³ *KI*, 18 December 1980, p. 7.

⁵⁴ *KI*, 18 December 1980, p. 7. The councillor was Nigel Edgerton.

⁵⁵ *KI*, 18 December 1980, p. 7. John Austin-Walker's remark echoed the reaction of some Labour councillors to raising rents under the 1972 Act.

⁵⁶ LBG, Housing Committee Report, Special Meeting, 10 December 1980, pp. 270–1 (Doc. 1507).

⁵⁷ Ibid.

sanctions. He concluded that in the event of Whitehall taking over the housing service, there was a strong possibility that any culpable council members might face both a surcharge and disqualification from public office. If the council persisted in its defiance, even those who abstained from a crucial vote over non-compliance would be culpable. The only members who would be safe from the threat of penal action would be those who voted to implement or stayed away from the meeting altogether. This advice was included in the officers' briefing at the next council meeting devoted to the issue, held after the Christmas break.

The split in the Labour group remained unresolved, with a significant proportion of its members clearly convinced that they had no real option but to implement the government scheme. Aware of this, the Conservative members left it to the dissenting Labour councillors to argue the case for compliance. Councillor 'Jeff' Jeffrey obliged by opposing a motion in favour of non-implementation, put forward by the council leader, Arthur Capelin, and John Austin-Walker. Jeffrey's amendment aimed to rescind the defiant resolution of 5 November. In the debate, he came to the nub of the matter: "we stand a chance of being surcharged or disqualified. I don't agree with selling the council's houses. But I would prefer we did it, rather than the Secretary of State calling in his heavy mob." The Labour group was allowed a free vote on this occasion and the Jeffrey amendment won the day, with the support of the Conservatives, by 39 votes to 20. While relieved at the outcome, the Conservatives anticipated that the council would use delaying tactics when it came to operating the scheme.

From the votes recorded at this critical division, a stark difference is evident between councillors with allegiance to the two local Labour parties. Of the 24 Labour members who voted for implementation, 22 represented Woolwich wards, whereas most of those opting for continued defiance were in Greenwich Labour Party. Recriminations followed, although Arthur Capelin adopted a tolerant attitude, despite the effect that the defeat might have had on his credibility. It was the second time within a year that he had been overruled in the council chamber on a major housing issue. The previous occasion had been Capelin's failure to persuade a majority of his group to adhere to its official policy of opposing the transfer of GLC housing.⁵⁸ Six of the members supporting the Capelin motion, who had been on the council in 1972, had taken a similar hard line at the final vote on whether to defy the government over the

⁵⁸ This was in January 1980.

mandatory rent increases. As well as Capelin, they included a future council leader, John Austin-Walker.

The events narrated in this part of the chapter are similar to those that took place eight years earlier when Greenwich made the premature decision to defy the government.⁵⁹ As previously, a split occurred in the Labour ranks that grew more serious as members came to appreciate the risks involved. Labour members with memories of the 1972 U-turn on policy would have realised that they were on similar ground. To an impartial observer, it would have seemed surprising that Greenwich started down the road of defiance in view of its previous record. Although Labour soon gave way on its defiant stand, on this occasion there was the opportunity for councils to practise passive resistance, or as *The Guardian* put it, for them to engage in ‘guerrilla tactics’ by dealing with applications slowly.⁶⁰ As we shall see in the remainder of this chapter, Greenwich was to use an array of tactics to obstruct or delay house sales. This strategy led to much adverse publicity as not only was there an active opposition on the council, but also a Woolwich-based newspaper, the *Kentish Independent*, which was largely hostile to the town hall administration at this time.

8.2: ‘GUERRILLA TACTICS’

There were several reasons why Greenwich was slow in dealing with sales under the 1980 Act, not all of which were of its own making. Some were clearly attributable to the council’s own reluctance to implement the government scheme, leading to a determination to be obstructive in its interpretation of the Act and sell as few properties as it could. There is no evidence that the Labour group made a formal policy decision to cause frustration to prospective purchasers and delays to sales once there was a council resolution to implement. Aleyne Friesner recalls instructing the officers to do everything ‘by the book’ including the valuations.⁶¹ Allan MacCarthy recalls that Labour members were determined to make buying a house difficult, as they were implementing the Act reluctantly.⁶² However, there were serious delays that were beyond the control of the council. As elsewhere, the sale of flats presented particular difficulties because of uncertainty over what the legislation required over the

⁵⁹ See Chapters Three and Four.

⁶⁰ *The Guardian*, 7 January 1981, p. 4.

⁶¹ Author’s email correspondence with Aleyne Friesner, August 2011.

⁶² Author’s interview with Allan MacCarthy, 8 June 2012.

arrangements for service charges.⁶³ The officers recognised the problems arising from the way that the Act was worded.⁶⁴

Labour's opponents on the council, including the newly formed Social Democratic Party, supported by some local MPs, made incessant attacks on the methods used, or allegedly used, by Greenwich. The *Kentish Independent* conducted a long-running campaign on behalf of aggrieved tenants. There was some coverage in the national media, including on London Weekend Television's 'The London Programme' in the spring of 1982.⁶⁵ Many vexed tenants complained to the Secretary of State, inducing officials in his department to ask questions of the town hall. In July 1981, when John Stanley was pressing the council to increase its progress on the scheme, Peter Brokenshire, the chief executive, revealed that the DoE had made 250 such requests already, which created unproductive work. He admitted that the council provided the information to avoid appearing to be uncooperative, and urged DoE officials to refrain from raising points on so many individual cases. But the DoE rejected his request, arguing that the problem could be settled by the council dealing with applications faster.⁶⁶

Tactics used to frustrate the scheme

While Greenwich was holding out against implementing the Right to Buy, a council spokesman warned that it did not have enough specialist officers to handle house sales should it decide to implement.⁶⁷ The council had adopted a general policy of refusing to fill vacancies, in view of the government's cutbacks in public finance. When the decision was made to implement, the local branch of NALGO announced that it would support any of its members who refused to handle tenants' applications, on the grounds that this was not part of their job description.⁶⁸ But neither the leadership nor senior officers showed any urgency in reviewing the staffing arrangements, because management wanted to let the scheme run for a few months to give the council a better idea of how many tenants were interested in purchasing. They would then be able to tell the members whether extra staff were needed to achieve sufficient progress on sales to

⁶³ See Chapter Seven.

⁶⁴ For example: LBG Agenda of Housing Committee Meeting, 7 January 1982, Appendix B.10(v) letter from chief executive to the DoE of 6 October 1981 (Doc. 1723).

⁶⁵ *KI*, 1 April 1982, p. 1. The programme is listed as 'The Fight to Buy Council Homes', 26 March 1982: www.imdb.com/title/tt2253684/

⁶⁶ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(i) (Doc. 1723).

⁶⁷ *KI*, 16 October 1980, p. 1.

⁶⁸ *SELKM*, 9 January 1981, p. 10.

keep ministers at bay.⁶⁹ Obviously, any delay of this sort fitted in with the council's approach to implementation.

At the beginning of February, the union went further by 'blacking' work on the scheme because no additional staff had been appointed to deal with the work. Union officials announced that their members would refuse to work on it until the council came to an agreement with them on recruitment. Although taking on more staff would conflict with current policy, the council leadership said that they were prepared to negotiate. The discussions that ensued dragged on until the summer of 1981.⁷⁰ By then the industrial action had petered out, but it is apparent from the performance of the town hall in 'processing' tenants' applications that a significant proportion of the staff ignored the union ban. By late June the staff had dealt with about 2000 notices out of 2459 (the so-called RTB1 forms), by issuing formal replies to the tenants (these known as 'RTB2 forms').⁷¹

When a party of Greenwich councillors and officers met John Stanley in July (as related below) they were able to tell him that six of their valuation staff were employed full-time and the same number within the legal department were available to work on sales; they also informed Stanley that the council had redeployed some housing staff to Right to Buy work.⁷² But by February 1982 only two officers in the housing department staff, out of a total of 276, were employed on the scheme.⁷³

The minister, his officials, and local Conservatives all urged Greenwich to engage the services of the DV to carry out initial valuations in order to speed up the process. But there were sound reasons for not doing so in view of the DV's function in handling appeals against an initial valuation.⁷⁴ Peter Brokenshire obtained counsel's opinion that it was 'not open' for the council to use the DV for initial valuations because the same office would be responsible for the independent valuation in the event

⁶⁹ LBG, Council Minutes, Special Meeting, 5 January 1981, p. 282 (Doc. 1514).

⁷⁰ LBG, Council Minutes, 11 March 1981, Establishment Committee Report (Special Meeting) 9 March 1981 (Doc. 1556); *KI*, 5 February 1981, p. 5; 12 March 1981; LBG, Council Minutes, 24 June 1981, p. 63 (Doc. 1605).

⁷¹ LBG, Council Minutes, 24 June 1981, p. 63 (Doc. 1605).

⁷² LBG, Agenda of Housing Committee, 7 January 1982, Appendix B.10(i) (Doc. 1723). The number of staff is unclear.

⁷³ LBG, Council Minutes, 10 February 1982, p. 337 (Doc. 1752).

⁷⁴ As explained in Chapter Seven.

of a tenant lodging an appeal. Understandably, the council leadership took the view that it should follow the legal advice.⁷⁵

John Stanley and his department saw no impediment to the use of the DV as they were satisfied that there were adequate safeguards within his office to protect its independent status in handling appeals.⁷⁶ Stanley pointed to the large number of local authorities who had arrangements with the DV to produce initial valuations. His officials established that the local DV for Greenwich could handle valuations satisfactorily. The council leadership were prepared to ask counsel to reconsider the previous advice – no doubt to appease the minister – but when the legal opinion remained the same, it was the end of the matter as far as the council was concerned.⁷⁷

Before the council agreed to implement the 1980 Act, it warned prospective purchasers that the process would be lengthy and bureaucratic because of the way the legislation was drafted.⁷⁸ But, as in Southwark, the council initially exacerbated the delays by acting particularly inflexibly. Once the price was agreed with the tenant, it ensured that the process of completing sales was prolonged by requiring the officers to submit details of each sale to three different committees. After the sale had been passed by the housing committee, it was referred in turn to the planning and development, and the management committees; finally the full council was asked to ratify the sale.⁷⁹ This was not the only procedural delay. In September 1981, when the officers put the first schedule of sales before the housing committee (comprising 42 houses), instead of nodding them through, it asked the full council to *refuse* to sanction them.⁸⁰ It would seem that influential Labour members, such as Jim Gillman, had either not fully accepted the council's implementation policy, or were registering a protest. At the time, the DoE was exerting intense pressure on the council leadership (as explained below) and Labour's opponents alerted the department to the new problem.⁸¹ The leadership saw clearly that the housing members were attempting to overturn the agreed policy on sales, so they took steps, through the management committee, to ensure that the ruse was disregarded. Instead, the full council was recommended to instruct the officers to

⁷⁵ LBG, Agenda of Housing Committee, 7 January 1982, Appendix B.10(i) (Doc. 1723).

⁷⁶ Ibid.

⁷⁷ Ibid.

⁷⁸ *KI*, 16 October 1980, p. 1.

⁷⁹ LBG, Council Agenda, 30 September 1981, pp. 136–7, Management Committee Report (Special Meeting) 7 September 1981 (Doc. 1665).

⁸⁰ LBG, Council Agenda, 30 September 1981, pp. 136–7, Management Committee Report (Special Meeting) 7 September 1981 (Doc. 1665).

⁸¹ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(iv) (Doc. 1723). The name of the councillor was not disclosed.

complete the sale of the houses on the schedule. To avoid future delays, a streamlined procedure was set up to delegate the handling of sales under the Right to Buy to the officers. The only stipulation was that they should present a schedule of agreed sales to the regular housing committee meetings for their information.⁸² The full council endorsed the procedure, but opponents forced a division in which 18 Labour members attempted to overturn the January resolution to implement.⁸³ The reporting procedure used in Greenwich remained unusual in that unlike the practice in the other boroughs, the officers were required to include, in the open part of the agenda, information which was usually regarded as confidential.⁸⁴ In addition to the valuation details, each tenant who was purchasing was identified, with the address and other details of the transaction. Not surprisingly, the Conservatives challenged this unusual practice as an infringement of privacy, but it continued.⁸⁵

A policy adopted by Greenwich, which particularly annoyed tenants and political opponents of the council, was to discontinue maintaining the house of any tenant who wished to exercise the Right to Buy. Once an application under the scheme was lodged with the housing department, the council refused to carry out repairs, redecoration or improvement work, unless the staff considered it urgent or there was a legal obligation.⁸⁶ The officers explained that they could not justify expenditure on a property that was subject to an application because they could not recoup it fully in the purchase price; also, they could transfer the money saved to building works elsewhere.⁸⁷ Even if a tenant withdrew the application, or it was rejected by the council as being invalid, the property continued to be excluded from all building works until the council's maintenance programme permitted.⁸⁸ In this particular Greenwich applied stricter rules than Newham.⁸⁹

Considerable publicity was generated when it became public knowledge that Greenwich was refusing to sell garages under the scheme in some instances. This arose

⁸² LBG, Council Agenda, 30 September 1981, pp. 136–7, Management Committee Report (Special Meeting) 7 September 1981 (Doc. 1665).

⁸³ LBG, Council Minutes, 30 September 1981, pp. 169–70 (Doc. 1666); *KI*, 8 October 1981, p. 5.

⁸⁴ For instance, Brent council treated as confidential all names, addresses and prices: *WBC*, 7 August 1981, p. 2.

⁸⁵ LBG, Council Minutes, 30 September 1981, pp. 169–70 (Doc. 1666); *KI*, 8 October 1981, p. 5.

⁸⁶ *KI*, 24 September 1981, p. 2; 19 November 1981, p. 5. From the autumn of 1981 this policy did not generally apply to flats.

⁸⁷ *KI*, 19 November 1981, p. 5; 24 September 1981, p. 8.

⁸⁸ *KI*, 8 April 1982, p. 1; LBG, Housing Committee Agenda, 1 July 1982, p. A38 (Doc. 1832).

⁸⁹ As mentioned in Chapter Seven.

where the garage was let under a separate tenancy agreement.⁹⁰ Conservative and SDP councillors criticised the Labour group for devising the policy in a confidential session of the housing committee in May 1981.⁹¹ They and other critics saw it as a ploy to take advantage of a loophole in the Act, whereas the council maintained that it was a strict interpretation of the law.⁹² On 26 March 1982 London Weekend Television's 'The London Programme' featured a tenant who complained about the council refusing to sell a garage rented for 10 years.⁹³ Later, Greenwich devised a solution whereby it would agree to sell a separate garage, provided that the tenant was prepared to pay the full market value for it.⁹⁴

Pressure from ministers and the DoE over delays

Greenwich was the first local authority in the country with which the DoE formally raised concerns over lack of progress on sales.⁹⁵ This was on 12 November 1980, shortly after the council passed a resolution refusing to implement the Right to Buy scheme, so indicates Whitehall's concern over the confrontational stance being adopted by the borough. In March 1981, when John Stanley told the House of Commons that his department was in touch with several local authorities about tenants' complaints, Greenwich was included.⁹⁶ By mid-April, which was six months after the Act came into force, John Stanley again mentioned Greenwich among the seven authorities which were being sent a formal written warning that he was contemplating intervening under the 1980 Act.⁹⁷ Stanley seems to have been particularly concerned that Greenwich was still dragging its feet, despite having rescinded its defiant resolution. Of some 2000 RTB1s received at the town hall, Greenwich had responded to only about 360 so far, so was out of time on many of them.⁹⁸ The Conservative MP for Woolwich West, Peter Bottomley, congratulated John Stanley for, "trying to deal with the devastating bigotry, brutality and insensitivity exercised by some councils".⁹⁹ He specifically mentioned Greenwich in this context for "denying the right" of tenants.¹⁰⁰ In turn, Stanley complimented Bottomley for supporting local tenants in their endeavours, declaring that

⁹⁰ The policy is set out in: LBG, Housing Committee Agenda, 13 January 1983, pp. A27–29.

⁹¹ *KI*, 10 September 1981, p. 1.

⁹² *Ibid.*

⁹³ *KI*, 1 April 1982, p. 1.

⁹⁴ LBG, Council Agenda, 23 June 1982, Housing Committee Report, 27 May 1982, p. 27 (Doc. 1830); Council Minutes, 23 June 1982, p. 94 (Doc. 1825). This did not apply to blocks of garages.

⁹⁵ Forrest and Murie, *Selling the Welfare State*, pp. 208–9.

⁹⁶ Hansard, HC Deb 4 March 1981 vol. 3 col 208.

⁹⁷ Hansard, HC Deb 15 April 1981 vol. 3 cols 335–43.

⁹⁸ *Ibid.*

⁹⁹ *Ibid.*

¹⁰⁰ Hansard, HC Deb 15 April 1981 vol. 3 cols 335–43.

they “have had as frustrating a time as tenants in almost any other authority”.¹⁰¹ But the local Labour MP, Guy Barnett, came to the defence of the borough by accusing Stanley of conducting a vendetta and attributing any delay to the government’s own policy of setting expenditure targets that restricted staff numbers.¹⁰²

For the remainder of 1981 the DoE applied increasing pressure on the borough over setting a timetable that was acceptable to ministers and keeping to it. The department repeatedly asked the Greenwich officers to provide a timetable for issuing the Section 10 notices, and it was a bone of contention when John Stanley summoned council representatives to meet him and his officials on 21 July at the DoE’s Marsham Street offices.¹⁰³ Greenwich was represented by the leader, Arthur Capelin, chair of housing, Aleyne Friesner and the Conservative councillor Wendy Mitchell; the chief executive, Peter Brokenshire, and the borough’s in-house solicitor, Tony Child were also present.¹⁰⁴

Arthur Capelin complained to Stanley about his refusal to allow Labour’s parliamentary spokesman on housing, Gerald Kaufman, to be present. Stanley’s response was that he wanted to speak to the people who were ‘legally responsible for the Council’s affairs’.¹⁰⁵ He continued by accusing the Greenwich leadership of being particularly culpable in their performance. Stanley claimed that of the seven local authorities which were given a formal warning on 15 April, Greenwich was the only one failing to satisfy the Secretary of State that tenants, ‘would be able to exercise their Right to Buy effectively and expeditiously’. Furthermore, Greenwich was significantly slower than other authorities being monitored for their rate of progress in handling applications.¹⁰⁶ Although the borough had given an estimate of its likely progress in the future, Stanley wanted a firm timetable; whereas the Greenwich officers predicted that they would be able to issue Section 10 notices to all the 1071 tenants whose applications were admitted on 13 May 1981, Stanley wanted them all cleared by the end of 1981.

Arthur Capelin accused John Stanley of using the statistics of the various authorities selectively, and Aleyne Friesner suggested that he might be comparing the

¹⁰¹ Hansard, HC Deb 15 April 1981 vol. 3 cols 335–43.

¹⁰² Ibid.

¹⁰³ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(i) (Doc. 1723).

¹⁰⁴ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(i) (Doc. 1723). Both Peter Brokenshire and Tony Child subsequently took up posts with the Audit Commission. For Brokenshire: *KI*, 26 May 1983, p. 1; for Child: www.theadrcentre.co.uk/index.php accessed on 8 November 2012. Wendy Mitchell had a distinguished career in public life: *The Independent*, obituary, 7 March 2013.

¹⁰⁵ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(i) (Doc. 1723).

¹⁰⁶ Ibid.

progress in Greenwich with other authorities' *predictions* rather than actual achievements. Capelin assured the minister that since they had resolved to implement the 1980 Act, they aimed to comply with it by instructing the officers to 'act as quickly as they could'.¹⁰⁷ As a consequence, the allocation of staff to work on the scheme had affected detrimentally other services that were of higher local priority. He argued that the borough was realistic in its estimate of the rate of future progress, and so was loath to draw up an unachievable timetable. The officers added that the rate of dealing with applications was likely to increase with time. Stanley tartly responded that, 'a number of authorities had already issued more Section 10 notices than Greenwich were intending to issue'.¹⁰⁸

The Greenwich representatives were prepared to move on their position, which was probably astute of them in view of the subsequent performance of Norwich representatives at meetings with ministers. After reviewing their rate of progress among themselves, they concluded that they could issue 170 of the Section 10 notices each month, which would mean that by the end of 1981 – the critical date set by Stanley – they would have issued 1200, including those that had been dealt with already. At the end of the meeting, it was agreed that the council would let the DoE have confirmation of its revised timetable, or 'projections' as Arthur Capelin preferred to call it.¹⁰⁹ After the meeting Peter Brokenshire confirmed that the borough would have issued the 1200 notices by 31 December.¹¹⁰ Having agreed on the deadline for reaching this crucial stage on applications admitted by 13 May, the DoE moved on to demand a timetable for the remaining 1000 applications.¹¹¹ Brokenshire replied that with the exception of any difficult cases, these Section 10 notices would be issued by June or July 1982.¹¹² But this failed to satisfy the DoE, who claimed that it was 'the least expeditious indication of future progress by a London Borough Council' given to the Secretary of State over progress.¹¹³ The department asked the chief executive to say whether the council could accelerate progress to complete the work, but it appears that Greenwich would not do so and the DoE did not immediately press the matter.

¹⁰⁷ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(i) (Doc. 1723).

¹⁰⁸ Ibid.

¹⁰⁹ Ibid.

¹¹⁰ Ibid.

¹¹¹ Ibid.

¹¹² Ibid.

¹¹³ Ibid.

Regularly each month, the chief executive provided statistics showing the rate at which the council was serving Section 10 notices and reaching other stages of the process, which formed the basis of correspondence with Whitehall. On 29 September the DoE warned Brokenshire, somewhat ominously, that ‘Ministers remain deeply concerned about whether your Council’s tenants have or may have difficulty in exercising the Right to Buy effectively and expeditiously.’¹¹⁴ The main complaint was that the rate of serving Section 10 notices had recently fallen, but the chief executive attributed this to a reduction in staff during the summer holiday period.¹¹⁵ In his reply to the fundamental question of compliance, Brokenshire reminded Whitehall of the assurances given more than once that Greenwich would act lawfully; he challenged them to spell out what the council needed to do if Whitehall still maintained that the borough was falling short of its responsibilities. He could only assume that the allegations were groundless, because the DoE had failed to respond previously. Significant progress was being made, if one allowed for the decline in the amount of resources and staff. Finally, Brokenshire was not prepared to accept the contention that the Secretary of State had grounds for intervention.

The DoE officials explained their position as being that ministers interpreted the legislation differently from the council, as they made a distinction between two issues: ‘whether the Council are or are not discharging their duty under Section 10 as soon as practicable’, and whether it appeared to them that tenants had ‘difficulty in exercising their Right to Buy effectively and expeditiously’. The DoE contended that there was no necessary connection between the two.¹¹⁶

Reminding the DoE about an allegation made by John Stanley at the July meeting on the council’s poor performance compared with other London boroughs, Brokenshire asked for the evidence. When the DoE claimed that they did not have such information, he responded that his own enquiries revealed that Greenwich was making more progress than many others. Hence, he suggested, there might have been an attempt to deceive the Greenwich representatives at the meeting.¹¹⁷

Addressing the question of why the Secretary of State decided to make an example of Norwich and not Greenwich, alternative explanations have been suggested.

¹¹⁴ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(iv) (Doc. 1723).

¹¹⁵ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(v) (Doc. 1723).

¹¹⁶ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(vii) (Doc. 1723).

¹¹⁷ LBG, Housing Committee Agenda, 7 January 1982, Appendix B.10(v) and B.10(viii) (Doc. 1723)

Forrest and Murie argue that although Greenwich ‘made the strongest display’ in resistance to the government scheme, its representatives were more adept at giving Whitehall an acceptable undertaking on future progress on sales.¹¹⁸ Stephanie Cooper put forward the view that the Environment Secretary would have wanted to avoid a confrontation with Greenwich because he was already involved in a fight with other London Labour boroughs which were jointly refusing to accept the mandatory transfer of GLC housing. He feared that if Greenwich was selected for intervention, such action might lead to similar joint opposition by London boroughs under pressure from the DoE over the lack of progress.¹¹⁹

There were strong grounds for the Secretary of State to intervene in Greenwich by taking over administration of the Right to Buy scheme. It is apparent from Whitehall papers released by The National Archives during 2013 that the DoE actively pursued the case for and against the idea during the second half of 1981.¹²⁰ The grounds for penalising Greenwich can be summarised as follows: the council decided to revoke its decision to defy the 1980 Act only after the DoE applied ‘sustained and intense pressure’.¹²¹ The council’s performance in handling sales was poor, and even if the DoE continued applying pressure there were no signs that performance on sales would be satisfactory.¹²² There was constant tenant dissatisfaction with the council’s delays and performance. But against these arguments, there were good reasons for the Secretary of State to be cautious over ‘taking on’ Greenwich and these probably outweighed the reasons to intervene. Intervention under the Act could not be used as a form of punishment for past failures to cooperate or perform, as only the council’s current and future performance were relevant. On progress in handling sales, Greenwich was not the slowest authority, and in London the DoE was particularly concerned about the poor performance by Barnet borough which was doing less.¹²³ The comparison between the two boroughs could have been embarrassing to the government because Barnet was Conservative-controlled. Arguments over predicting what progress Greenwich was likely to make in the future were not clear-cut. It would even have been difficult to

¹¹⁸ Ray Forrest and Alan Murie, *An Unreasonable Act? Central-Local Conflict and the Housing Act 1980* (Bristol: University of Bristol, 1985) pp. 35–7.

¹¹⁹ Stephanie Cooper, *Public Housing and Private Property: 1979–1984* (Aldershot; Gower, 1985) p. 108.

¹²⁰ TNA, HLG 118/3837 and 3838.

¹²¹ TNA, HLG 118/3837, memo from D. C. Moss to Mr Summerton, 2 October 1981, and note, ‘Right to Buy: Case for Intervention in Greenwich’.

¹²² Ibid.

¹²³ TNA, HLG 118/3837, note ‘The Right to Buy: The Case Against Intervention in Greenwich (based on information at 31.8.81)’.

show that the output of the Greenwich valuers was unsatisfactory.¹²⁴ DoE officials were aware that intervention could only be justified if the department was sure that it could improve on the council's performance, and they had their doubts about this. In particular, there were likely to be delays in dealing with sales of former GLC properties as some of the title deeds were still held at County Hall.¹²⁵ The reasons for Michael Heseltine and John Stanley deciding not to intervene in the London borough are unclear, but it is likely that action against Norwich seemed simpler.

At the beginning of December Michael Heseltine announced in the House of Commons that he was serving formal notice on Norwich that he was intervening under the Act.¹²⁶ Any hopes that the Greenwich leadership might have had that Heseltine was unlikely to embark on another confrontation, at least for a while, were dashed by his declaring that he was also dissatisfied with the situation in Greenwich. This was in reply to a question from Peter Bottomley, who used the occasion of the Norwich announcement to urge Heseltine to intervene in Greenwich because of its record.¹²⁷ Heseltine did not do so, but in March 1982 he summoned the leadership to an emergency meeting about its progress.¹²⁸

The day before the high-level meeting, there was a debate between John Stanley and others in the House of Commons; Peter Bottomley related some instances of hardship experienced by prospective purchasers in Greenwich, and accused the council of extravagant expenditure on legal advice on ploys to avoid the legislation. Bottomley said that Greenwich was blatantly disregarding its legal obligations.¹²⁹ Stanley assured Bottomley that the matter was being taken seriously and added, "I must express the strong dissatisfaction of Ministers over the way in which Greenwich has so far implemented the right-to-buy legislation."¹³⁰ At the DoE meeting it is likely that Michael Heseltine admonished the Greenwich party and required it to speed up the process of issuing Section 10 notices and to make a start on the sale of flats.¹³¹

¹²⁴ TNA, HLG 118/3837, note 'The Right to Buy: The Case Against Intervention in Greenwich (based on information at 31.8.81)'.

¹²⁵ The GLC was under the control of the Labour group from May 1981 with Ken Livingstone as leader.

¹²⁶ Hansard, HC Deb 3 December 1981 vol. 14 cols 399–405.

¹²⁷ Ibid., vol. 14 col. 404.

¹²⁸ Hansard, HC Deb 16 March 1982 vol. 20 col. 241; *KI*, 18 March 1981, p. 1.

¹²⁹ Hansard, HC Deb 16 March 1982 vol. 20 cols 241–2.

¹³⁰ Ibid., vol. 20 col. 246.

¹³¹ Hansard, HC Deb 16 March 1982 vol. 20 cols 241–6; *KI*, 18 March 1981, p. 1. There is no record of this meeting in the documents researched, only what was predicted. Aleyne Friesner attended the meeting and found Heseltine impressive, but does not recall the details.

The local government elections on 6 May 1982 returned a higher proportion of left-wing members than previously.¹³² The character of the Labour group began to change, not least because there were meetings of a left caucus. There were some new chairs as the established members were replaced by councillors associated with the new municipal left, with Aleyne Friesner losing out.¹³³

Nevertheless, the changes in the administration did not affect progress on the Right to Buy scheme, although critics of the council, such as Peter Bottomley, sharpened their rhetoric against the new regime which they viewed as being extremist. At the end of June 1982, John Stanley responded to a typical parliamentary question from John Cartwright, the Social Democrat MP for Woolwich East, by assuring him that his department was monitoring progress in Greenwich regularly and confirming that the intervention threat was still hanging over the borough.¹³⁴ Later in the year, during a Commons debate on the Housing and Building Control Bill, both John Cartwright and Peter Bottomley made scathing attacks on Greenwich over its treatment of prospective purchasers, giving examples of its obstructive methods.¹³⁵ Bottomley claimed that Greenwich was “one of the worst local authorities in the country.”¹³⁶ When Cartwright resumed his attack three weeks later, John Stanley told him that discussions were taking place with the council, adding that Heseltine was considering taking further action.¹³⁷ In response to the verbal onslaught from the two MPs, Greenwich issued a statement to the press explaining its position: although opposed to the principles of the Right to Buy, it was honouring its commitment to implement the government scheme.¹³⁸ It explained that once the backlog had been cleared the general progress on sales compared favourably with many other councils, and that that the DoE was not complaining about its progress.¹³⁹ This is borne out by an improvement in relations, which appears to have endured for the remainder of our period, up to mid-1983.

¹³² See Chapter One.

¹³³ Friesner was replaced by Councillor Mike Yates.

¹³⁴ Hansard, HC Deb 30 June 1982 vol. 26 col. 340W.

¹³⁵ Hansard, HC Deb 23 November 1982 vol. 32 cols 774–80.

¹³⁶ Hansard, HC Deb 23 November 1982 vol. 32 col. 779.

¹³⁷ Hansard, HC Deb 8 December 1982 vol. 33 cols 550–1W.

¹³⁸ *KI*, 16 December 1982, p. 19.

¹³⁹ *Ibid.*

Conclusion

Even before the Right to Buy reached the statute book, the Labour leadership in Greenwich took a tough line on council house sales, both over the way it put an end to voluntary sales in 1971, and the way it conducted negotiations with the GLC over the transfer of housing. This approach continued in its HIPs submissions, when the borough indicated that it was likely to be uncooperative over mandatory sales. The Labour leadership was dismissive of the government's proposals for the mandatory scheme in response to Whitehall's brief consultation. In criticising the government scheme, Labour members laid stress on the undesirable effect that the sale of popular houses with gardens would have on the council's policy of moving families with children out of flats. They insisted that the scheme was a bad one on both ethical and financial grounds. They maintained that the Labour administration had a mandate from the local electorate for its housing policies, so by refusing to follow the directions of central government they were making a stand for local democracy. Although there was a change in the housing chair when Jim Gillman resigned, he remained a driving force in the Labour group, especially in articulating reasons for defiance. The council officers effectively backed up the Labour leadership in their own critiques of the government scheme, especially over the powers being bestowed on the DV in appeals from tenant-purchasers, and on the Secretary of State enabling him to give directions to local authority officers should he take over the housing service. Unusually for officers, they suggested in a report to committee that it might be possible to thwart the Environment Secretary's enforcement and default powers through widespread refusal to co-operate over the mandatory scheme. Nevertheless, the idea for joint action does not appear to have been pursued either by Greenwich or the other boroughs.

When Greenwich made a firm decision to take a stand against the government, they did so alone. Its members would have been aware that there was likely to be much interest in purchasing by tenants on its low-density housing estates as the GLC scheme had demonstrated earlier. As in 1972, there was a split in the Labour group, with some of the same senior members dissenting from the official policy on each occasion. Again, the split quickly grew more serious. A reason for the stance taken by the 'dissenters' was that they believed in obeying statute law, but of growing influence was anxiety over the implications of the Environment Secretary's powers of intervention and the risk to councillors of penal sanctions.

The mini-rebellion in south-east London petered out due to a lack of confidence in the strategy that the group was pursuing. One consequence was that the council effectively delayed making a start on sales, but another was that government ministers and Whitehall officials were alerted to the likelihood of continued opposition from a 'difficult' borough.

There is no doubt that the Greenwich leadership was intent on making the sale of a house under the government scheme as difficult as they could, including refusing to accept an application whenever they had grounds for doing so. But though robust in their approach, the council does not appear to have broken the law. As in other boroughs, some delays in handling applications were beyond the council's control, such as NALGO's industrial action and the problems over the method of assessing service charges. Also, the council had sound reasons for refusing to pass on work to the DV. Yet the intransigent approach adopted by the Greenwich leadership attracted many bitter tenants' complaints which were vehemently supported by local politicians such as Peter Bottomley and John Cartwright who were usually known for their moderation. Greenwich used similar tactics as elsewhere among the boroughs, but was particularly strict in the way its officers applied the rules. Practices which particularly annoyed complainants were a refusal to include certain garages in sales and ceasing to carry out maintenance work on a property as soon as a tenant put in an application to buy.

From the outset of the Right to Buy scheme, ministers and DoE officials kept Greenwich under constant surveillance and monitored progress on handling applications. It is clear that senior officers handled negotiations with John Stanley and his department skilfully, particularly at the critical time when there was a real danger that the Secretary of State might make an example of the borough by intervening directly. Indeed, towards the end of 1981 the choice might have been between intervening in Greenwich or Norwich. A saving feature of the approach adopted by the leadership and officers was that they were prepared to compromise at crucial times, and this might have been crucial in staving off ministers from resorting to extreme measures. They dispensed with the time-consuming committee procedures by delegating sales to officers. During negotiations at the DoE over the borough's rate of progress, the council's representatives were sufficiently flexible in meeting the minister's requirements to reach agreement with him over a revised timetable for handling applications. Yet the Greenwich leadership never appeared to bow to Whitehall pressure, and called the minister's bluff when making unfavourable comparisons

between Greenwich and other boroughs. Their confidence appears to be justified, because the recently released DoE files indicate that the grounds for intervening in Greenwich do not appear to have been strong enough by late 1981 for Whitehall to consider it safe for ministers to take action.

CHAPTER NINE:

CONCLUSION

This study of town hall politics has explored the introduction of Conservative legislation affecting council housing and local autonomy that was bitterly resented by Labour councillors. The preceding chapters have investigated the responses to the legislation of eight Labour-controlled boroughs in London during a period of change in the political orientation of groups away from a preponderance of members steeped in a traditional Labourist culture towards younger leaders, some with allegiances to the 'new municipal left'. The thesis has explored four main questions and themes: the extent to which the eight selected authorities attempted to resist or frustrate the implementation of the rent increases in 1972 and the Right to Buy scheme of 1980; how the Labour groups planned either to defy or obey the law and the outcomes of their responses; whether groups split over the issues and the consequences; and differences among them in responses to the two pieces of legislation. To a lesser extent the study has looked into the role of Conservative councillors in opposing rebellious or uncooperative councils.

Local Labour politicians opposed the 1972 and 1980 Acts because the changes that they introduced encroached upon areas of policy where councils had enjoyed a high degree of discretion. Some rebellious councillors argued that their Labour administration had a mandate from the local electorate for its housing policies due to winning a majority of seats at borough elections in 1971 and 1978; thus they were making a stand for local democracy. Labour groups considered 'fair rents' to be unsuitable for council tenancies because rents in the private sector, with their element of landlord's profit, were unacceptably high. Instead, they thought council housing should be treated as a social service. Labour groups considered the Right to Buy scheme to be misguided because a disproportionate number of the better houses would be sold, adversely affecting the quantity and quality of the housing stock. Furthermore, the discounts were over-generous to the detriment of a council's finances, and they could not build replacement housing.

In advising town hall groups to abide by the law on both government measures, the Labour Party's NEC and the Parliamentary Party maintained their long-established constitutional approach. Respect for parliamentary sovereignty had been established within the Labour Party during the 1920s, along with observance of the duties and limitations implied for local authorities. Hence the rebellious mood in some council

chambers over the housing finance legislation was unusual. Nevertheless, the central Party left councillors to decide their own strategy, and assiduously declined to give them directions, so avoiding infringing their autonomy. Instead, they urged them to adopt constitutional means of opposing the new policies. Anthony Crosland's influential campaign in 1972 to promote a strategy of 'constructive opposition' was particularly effective in persuading Labour councils to take advantage of the Newcastle amendment to obtain abatements in the initial rent increase. In 1980, while there were suggestions that Labour councils should 'work to rule' in operating the Right to Buy scheme, the NEC carefully refrained from advising groups to use delaying tactics in handling council house sales. Any such national guidance would have impaired a council's legitimate defence, such as staff shortages or technical problems with valuations.

Implementation of the Housing Finance Act

When the Housing Finance Bill was passing through Parliament there were indications that four of the boroughs would adopt a compliant approach. The Old Guard leaders in Newham and Southwark appeared to be resigned to the necessity of adopting government policy. They had relatively low rents following unbroken Labour rule since they had been formed in 1964. Both councils acted in a manner suggesting that an increase was due, because they raised rents in October 1971 in anticipation that the first mandatory increase under the new legislation would be reduced. While Southwark's John O'Grady offered token resistance following a strong campaign by tenant organisations, the determined housing chairman in Newham, Bill Watts, secured early acceptance of the mandatory rent increases. Differences in approach to compliance were displayed in Islington and Brent. Like Watts, Islington's new leader, Gerry Southgate, was anxious to make an early decision, while the Brent leadership delayed the crucial vote for as long as they legitimately could. But all four boroughs effectively cooperated with the government.

Only Camden refused to implement the Housing Finance Act after the first rent increases became due in early October 1972. The council held out against ministers until the beginning of January 1973 when it reluctantly agreed that it would raise rents in March. In effect, therefore, the borough was five months late in raising the rents. It only acquiesced under intense pressure to comply when the Secretary of State began moves to withdraw millions of pounds in housing subsidies. The explanation of why Camden rebelled and maintained its stance was probably that it had a high proportion of

new members, who were confident and well educated, a radical activist culture, and a leadership which was prepared to allow free votes on the crucial issue. The rebellion appears to have been kept alive by a significant number of Labour members absenting themselves from council meetings or abstaining from voting during crucial debates over continuing with the defiant action. The presence of a town clerk with the confidence to advise members contemplating abstaining from voting that it was reasonably safe to do so also helped considerably.

Although boroughs other than Camden decided to implement the Act to meet the requirements of the first rent increase, there was substantial resistance within the Labour groups in Greenwich, Hackney and Lambeth, with support from some senior members. Greenwich council went so far as to pass a formal resolution in March 1972, declaring that the council would refuse to implement the legislation and notifying the Secretary of State of its intentions. Nevertheless, the council rescinded the decision in late July, but only with Conservative group support. There were indications that Hackney and Lambeth might refuse to implement the legislation, as the Labour groups were deeply divided over the issue, causing them to delay making a firm decision until the deadline loomed for sending out rent notices. In Lambeth, where left-wing activists, including Ken Livingstone, threatened to censure members who voted for compliance, a decision to implement the legislation was made on the basis that the borough would attempt to exploit a loophole in the Act, though this proved unworkable.

Councils adopted a variety of strategies in response to the 'fair rents' legislation, although 'muddling through' is a more accurate description of the approach followed by some. Leading members in Islington and Newham were determined to push through a strategy of compliance over the 'fair rents' Bill, as they saw no advantage in fighting the government, and were determined to stave off signs of rebellion by a minority of their members. The leading spokesmen for each borough, Gerry Southgate and Bill Watts, had different political backgrounds within the Labour Party, but both held to a constitutional view. So did the leaders in Brent and Southwark, although they chose to delay making a crucial decision for as long as they could, to avoid contravening the Act.

When opposition to the Bill intensified, politicians as diverse as Bob Mellish MP and Ken Livingstone advocated a strategy of united action by the boroughs in their opposition to the government, as they would be ineffective individually. But London-wide meetings failed to produce agreement on a common strategy, and it became clear

that only a handful of boroughs seriously considered adopting a confrontational approach. When leading Labour politicians saw that hard-line opposition among authorities remained fragmented, they realised that there was little hope of boroughs working together to produce a defiant strategy which was likely to succeed.

Labour groups displayed mixed motives in agreeing to comply with government policy. They wanted to avoid giving the Secretary of State the opportunity to appoint a housing commissioner as they would then lose control of the assessment of 'fair rents'. The opportunity of obtaining slum clearance subsidies under the new Act was especially attractive to Newham. As the deadline approached for giving definite instructions to their officers, councillors became increasingly concerned about the threat of penal sanctions, especially the danger of culpable members being surcharged for financial losses. As a solution, they saw the adoption of Crosland's 'constructive opposition' strategy as a means of showing their tenants that they had obtained a concession from the government by negotiating abatement in the first rent increase. Use of the Newcastle amendment (a compromise between Conservatives and Labour in Parliament) was particularly effective in boroughs where a previous Conservative administration had raised rents substantially: Brent, Islington and Lambeth all obtained significant reductions.

Splits in Labour groups were serious in Greenwich and Hackney, where the balance of opinion was particularly close and even the leading members held opposing views. Party discipline had a significant effect in limiting, or even suppressing, open disobedience. Where discipline was strict, as in Newham and Southwark, members were in danger of losing the party whip. In Camden and Greenwich, where there was a more tolerant attitude towards dissenters and leaders were more open to 'free votes', a minority of members were more likely to vote against the group's official policy.

Greenwich Labour group appears to have drifted into its short-lived venture to refuse to raise rents when the Bill was passing through Parliament. The abortive rebellion shows signs of being a protest gesture which began to weaken as the full implications of continuing the action became plain. The reluctant rebel, John Cartwright, seemed particularly ill-suited to follow in the footsteps of George Lansbury and the 1920s Poplar councillors. A model of Labour conformity, the Woolwich-based Cartwright seemed more suited to the 'respectable and conventional' approach associated with Herbert Morrison. Rather than having ideological aims, Cartwright

appeared to be a leader in search of a strategy. His priority appears to have been to keep the Labour group united, but he was unable to do so when it came to the crucial division in the council chamber. Comparative research has shown that resistance was better organised in Camden.

Although Camden held out for several months against the fair rents legislation, there were indications of mixed motives behind the Labour group's defiant strategy, as some 'non-implementers' took a hard line while others were more pragmatic. The hard-line members, personified by the deputy leader, Peter Best, were intent on defying the government, irrespective of the consequences, whereas those who were inclined to be more flexible sought to extract major concessions from the Secretary of State to make the legislation more acceptable. The overt strategy was to defy the government to the point at which the Secretary of State would appoint a housing commissioner, although the leadership hoped that he would back down in enforcing the legislation. In contrast, the dissenters in the Wistrich/Hughes-Stanton faction were anxious to avoid provoking ministers to resort to penal measures. They pleaded with the rebels to face up to Camden's situation in its political battle with a government armed with enormous powers.

There was universal support in Camden's Labour group for negotiations with the DoE over the operation of the scheme, the pragmatists wanting to ameliorate the worst aspects of the Act and the hardliners to give tenants some protection. The leader, Millie Miller, was more cautious than the bullish Best, even admitting that the Labour group felt insecure in its fight with the government. Camden clearly failed in its primary aim of avoiding being forced to introduce rent increases under the Act. The Labour leadership became obsessed with the notion of Peter Walker appointing a housing commissioner, and overlooked the potential threat of his withdrawing subsidies – the Secretary of State's real trump card. Yet as a result of its defiant actions and negotiations with the DoE, Camden obtained some concessions for its tenants by achieving both a delay of several months in implementing the first rent increase and improvements to the national rent rebate scheme. Camden's representatives were less successful over abating the level of the first rent increase.

Conservative councillors across the boroughs solidly supported the government's policies on 'fair rents', not least because they endorsed their own policies for new rent structures. Due to the large majorities Labour had in council chambers,

Conservatives were seldom able to make a significant impact during crucial debates, except in Camden and Greenwich. For most of the time they undertook the conventional role of an official opposition: arguing their party's case for adopting the legislation in a way likely to appeal to ratepayers and tenants; asking searching questions in the council chamber to discover whether the Labour leadership were preparing to introduce the government's policy; goading them when 'sitting on the fence' over strategy; seeking to embarrass them when their group was split; and warning them against making rash decisions.

Conservatives questioned the legality and implications of any refusal to implement the legislation, warning that rebel councillors risked penal action by the Secretary of State, including the withdrawal of housing subsidies. For a while in Camden, the Conservative members appeared hopeful that a compromise might be reached with the DoE. When agreement seemed unlikely, they supported – or even encouraged – Peter Walker over the withdrawal of housing subsidies. As the official opposition in the council chamber, Martin Morton and his colleagues appear to have had some success in forcing divisions over controversial motions on rent increases. But Conservative representation was numerically insufficient to swing a vote in favour of implementation. Only in Greenwich were the Conservatives able to make an impact in the council chamber on the outcome of the crucial vote on implementation.

The Right to Buy and comparisons with reactions to the earlier legislation

There were few moves to refuse to implement the Right to Buy scheme. Most Labour groups decided that it would be preferable if their council's officers handled the sales, rather than allow the Secretary of State to take over. Some councillors – in particular Lambeth's Ted Knight – argued that fighting the cuts was the main priority in view of the Thatcher Government's unprecedented onslaught on local authority finances. All boroughs were slow to make a final decision on the controversial issue of implementation, either because they were uncertain over the strategy to adopt, or because the leadership were in no hurry to instruct their officers to begin handling sales. Being tardy might also have been a symptom of a leadership's management style of 'muddling through', as epitomised in Newham by the pragmatic Jack Hart. Many Labour members showed signs of resignation to the inevitable, in marked contrast to the heated exchanges that took place over decisions to implement the 1972 Act. They would have had memories of how local resistance to the imposition of 'fair rents' had

proven to be ineffective. In Camden, Islington and Southwark the Labour membership remained united over implementation, probably in the knowledge that there would be opportunities for their councils to delay or frustrate the operation of the government scheme. Elsewhere, there was significant opposition to implementation from left-wing members in Brent, Hackney and Lambeth, while even in Newham, with its rigid party discipline, a few rebels were prepared to vote against the group's official policy.

Greenwich flatly refused to implement the Right to Buy scheme, but, unlike in 1972, the council continued in defiant mode after the legislation became law. The council instructed its officers to return all application forms received from tenants, and continued in this vein for about three months before rescinding its earlier resolution. It is curious that Greenwich chose to start down the road of outright defiance in view of its earlier experience. The Labour group had a record of taking a particularly tough line against voluntary sales, and there were prominent council members, such as Jim Gillman, who vehemently opposed the government scheme. The short-lived rebellion was doomed to failure, although as a gesture of disapproval against a detested change in policy it had the practical effect of delaying the start of sales. Nevertheless, the declaration of non-compliance alerted Whitehall to the likelihood that the council would be troublesome, so it is no coincidence that Greenwich was the first authority in the country that the DoE decided to target, albeit cautiously; recently released DoE papers show that Greenwich put up a strong enough argument during 1981 for Whitehall to consider it unsafe for ministers to take over its housing service. Instead, they concentrated their attention on intervening in Norwich.

In 1980 most Labour groups adopted a strategy of implementing the Right to Buy that amounted to passive resistance by doing the minimum necessary to operate the scheme in order to delay and frustrate sales. They hoped that a future Labour government would repeal the legislation (as had occurred with the Housing Finance Act), but their immediate objective was to keep the Whitehall monitors at bay and avoid ministers stepping in to run the borough's housing service. The boroughs used tactics such as seeking to deter prospective purchasers by emphasising the disadvantages of property ownership; imposing bureaucratic procedures when 'processing' applications to buy; refusing to appoint additional staff to handle sales, or the District Valuer to help clear a backlog of applications; rejecting applications wherever a reason could be found for doing so. There is no evidence that any of the boroughs intentionally broke the law by employing these tactics or that leaders gave directions to officers to behave

improperly when handling sales, though they probably encouraged them to ‘hurry slowly’ in performing their duties. Islington’s housing chair, Chris Smith, made a rare admission that under his supervision the council intentionally operated the sales scheme as slowly as it could. Some serious delays can be explained by conflicting government policies over staffing levels, and by drafting deficiencies in the Housing Act. Although NALGO industrial action caused disruption in some town halls during the first few months of the scheme, there is nothing to suggest collusion with the elected members.

In assessing the extent to which the eight councils achieved their aims, few sales relative to applications were completed during the first full year of the scheme (1981–2). An exception was Lambeth, which, ironically, was the only borough controlled by a hard-left administration. This anomaly can be explained by the chief executive’s assurance to Whitehall that he would ensure quicker progress on sales following his investigation into improper conduct by shop stewards early in the scheme. More widely, the rate of sales increased during the second year, with particularly high numbers in Greenwich and Newham following sustained pressure from the DoE.

Conservative councillors were enthusiastically in favour of the Right to Buy scheme, which for them was an improvement on the policy of council house sales when they were in office locally. The Conservatives gave advance publicity to the scheme which showed signs of being popular with tenants. Throughout the political battle Conservative councillors maintained that Labour administrations were ignoring council tenants’ aspirations because they were intent on retaining power over council estates. Conservative members, in collaboration with local Conservative MPs, were effective during the operation of the government scheme in alerting ministers to town hall delays in handling applications and drawing attention to what they perceived as malpractice in the ploys of Labour councils. The Conservatives in Greenwich were particularly adept at gaining publicity for a broad campaign in support of aggrieved tenants which involved Peter Bottomley MP and the *Kentish Independent*. When former council leader John Cartwright MP joined the fledgling SDP, he was equally scathing about the performance of the council when insisting that Greenwich should abide by the law.

The responses by Labour-controlled councils to the changes in housing policy in 1980 compared with 1972 took place in different contexts and in reaction to different legislative provisions. When the Heath Government planned to introduce ‘fair rents’ into the public sector, massive campaigns by tenant organisations encouraged Labour

councillors to defy the government, as was evident during the mini-rebellions in Camden and Greenwich. Such protests were virtually absent from the opposition to Right to Buy. On the contrary, many tenants were keen to purchase their homes and others were content for them to do so. The Housing Finance Bill was the only major political battle between Labour and the Heath Government at the time. In contrast, when the Right to Buy was introduced, Labour had to contend with several initiatives of the Thatcher Government, principally the cuts in expenditure. The two measures differed in that whereas the Housing Finance Act included some attractive features for Labour councils (generous slum clearance subsidies and so forth), the forced sale of council housing at discounted prices had nothing to offer them. The two statutes also varied in the way they operated. Under the Housing Finance Act an authority had to take immediate steps to raise rents across its housing stock on a specified date, whereas in operating the Right to Buy scheme it had numerous opportunities to delay or frustrate individual sales over a long period.

Splits in Labour groups were more widespread in 1972, when opinion within all Labour groups was divided, than in 1980. There were calls to abide by statute law, and Marie Kingwell, a senior Greenwich member who was active in opposing non-implementation in both 1972 and 1980, was a vocal advocate of this principle. Although there was support across the Labour groups for defying the Housing Finance Act, the members taking a hard line over the Right to Buy were mainly on the left of the party, although in Greenwich opinion was more mixed. In 1980 left-wing opposition was vocal in Brent and Hackney, while even in Newham, with its strict party discipline, some rebels were prepared to vote against the group's official policy. Apart from in Newham, there appears to have been no disciplinary action against members who defied their group's official policy. In Greenwich some of the same senior members who dissented from the group's official policy on the Right to Buy had done so in 1972. Again, the split quickly grew more serious as members decided to play safe due to increasing anxiety over the risk of penal sanctions.

The importance of strong leadership, able to settle on a firm strategy, stands out both among rebels and those determined to obey the law. Both Gerry Southgate and Bill Watts concluded that nothing was to be gained from resistance to 'fair rents'. Similarly, Peter Best was single-minded in his strategy of defiance, which in part explains why the rebellion persisted for several months in Camden. John Cartwright and Millie Miller, on the other hand, appeared to lack confidence when leading their groups towards

confrontation with the government, or perhaps they were more responsive to other members' opinions. In contrast to Cartwright, Jim Gillman played an important part in the adoption of a hard-line policy over Right to Buy. Newham Labour group under Jack Hart appeared to be deliberately obstructive over selling council houses, but later bowed to ministerial pressure by taking urgent action to speed up sales; Ted Knight, in contrast, made it clear that Lambeth council's priorities lay elsewhere. It would appear that Knight had a firm strategy when directing his group's fight with the government, whereas Jack Hart relied on 'muddling through' in opposition to policy changes that he detested.

A feature of the failure of Camden's 1972 rebellion was that the borough acted alone in London in resisting the legislation and it does not appear to have liaised with rebel councils elsewhere. From the early days of the Bill, Labour politicians in several boroughs recognised that they were only likely to succeed in persuading the government to back down if the threat of rebellion was widespread, but attempts to work together failed. Unlike in the trade union movement, there was no tradition of concerted action by Labour local authorities in pursuit of shared goals. In 1921 some Labour councillors from other metropolitan boroughs supported the Poplar direct action over rates, but the rebellion did not spread. Councils customarily worked through the local authority associations and, even when these were Labour dominated, they were steeped in the same constitutional approach as the NEC and PLP. By the 1980s, when there was substantial support for defiance of the Thatcher government by hard-left councils, the strategy they adopted was to concentrate on financial issues.

This research has shown the somewhat ambivalent position of the Labour left. Between the local elections of 1971 and 1982 there was a general shift to the left in the orientation of Labour groups. Yet, except in Greenwich, the opposition to the Right to Buy was muted in comparison with resistance to the Housing Finance Act. Neither Camden in 1972, nor Greenwich eight years later, was dominated by the hard left, yet the councils displayed rebellious tendencies. Councils under the control or influence of the new municipal left were no more obstructive over the operation of the Right to Buy scheme than the administrations that preceded them. There is no evidence that the radical factions who took over or exerted significant influence from May 1982 initiated tactics to delay or frustrate sales in the hope of a Labour success at the next general election; on the contrary, their relationships with the DoE seemed to ease. Not only was there no organised opposition from tenants to sales, but younger left-wing members

were perhaps less committed to council housing than the Old Guard members in the Labourist tradition. Borough councils in the 1970s included members with memories of slum housing conditions of the pre-war and post-war periods who believed in council housing as the universal solution for providing decent rented accommodation. But with the high-rise boom and use of system-building, followed by widespread deficiencies in estate maintenance, many had come to view estates negatively. With the decision of the new municipal left to capture local Labour parties, an increasing number of councillors were relatively new to the area they represented on the council. These younger members tended to have fewer ties to the council estates which had been built when Old Guard members had been in control, and many were owner-occupiers. Although Ken Livingstone and his mentor, Ted Knight, had viewed defiance of the Housing Finance Act as a touchstone of the left, when it came to decisions over implementing mandatory sales some eight years later, the new municipal left settled on other priorities.

This study was not designed to investigate Whitehall's side of the tense relationship with the Labour authorities over controversial legislation. There are questions still to be answered on such matters as how, for example, in 1972, applications from local authorities for abatement of rent increases were handled under the Newcastle amendment, especially concerning the amount of political interference; also about which government ministers were involved in the decision to withdraw housing subsidies from Camden. Similarly, there is still some doubt as to why the Secretary of State chose to make an example of Norwich in 1980 when he decided that it was risky to intervene in Greenwich over similar delays in operating the Right to Buy.

In the last decades of the twentieth century there were centralising trends in Britain which had a profound effect both upon local autonomy and the contribution councils were able to make to providing social housing. It seems that the limited and ineffective resistance by local authorities to these trends accelerated the process. This thesis has demonstrated that there was resistance among the eight selected London boroughs to two pieces of legislation which encroached upon their autonomy, but that the political battles were mainly fought out on housing issues. Labour councils obviously failed to stem the trend towards greater centralisation of decision-making. As two sets of relationships were involved – between the government and local authorities, and between the Conservative and Labour parties – the disputes over implementation of policy were both party political and over local autonomy. It is a feature of British local politics that party loyalties almost invariably trump local allegiances. In the course of

my research I found only one instance where an opposition member criticised the statutory penalties that could be levied on defaulting councillors and argued that councillors should be free to make their own decisions.¹⁴⁰ Borough councillors treated each Act of Parliament on its merits as housing policy rather than as an issue affecting local autonomy. I conclude that the failure of local identity to transcend party differences partly explains why the increasing centralisation of decision-making in Whitehall during the last decades of the twentieth century went unchecked. It also appears that town hall politicians who moved on to sit in Parliament then became less concerned about local autonomy. Some councillors who served on the eight borough councils at the time of the events described in this thesis later held office in Tony Blair's Government, yet New Labour administrations did not reverse the centralising trend.¹⁴¹

¹⁴⁰ This was the Hackney Conservative councillor, Joe Lobenstein.

¹⁴¹ Tony Banks, Charles Clarke, Frank Dobson, Margaret Hodge, Peter Mandelson, Tessa Jowell, Chris Smith and Jack Straw. The Blair Government ratified the Council of Europe's Charter of Local Self-Government, but this was largely symbolic: Vernon Bogdanor, *The New British Constitution* (Oxford: Hart Publishing, 2009) pp. 236–7.

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APPENDIX 1

BOROUGH PROFILES

BRENT

Constituent authorities on London reorganisation 1964:

1 – Wembley Municipal Borough; 2 – Willesden Municipal Borough

Location of town hall: Wembley

Population est. June 1966: 294,450

Density of persons per acre: 27.0

.....

CAMDEN

Constituent authorities on London reorganisation 1964:

1 – Hampstead Met. Borough; 2 – Holborn Met. Borough; 3 – St Pancras Met. Borough

Location of town hall: Euston Road, NW1

Population est. June 1966: 239,770

Density of persons per acre: 44.7

.....

GREENWICH

Constituent authorities on London reorganisation 1964:

1 – Greenwich Met. Borough; 2 – Woolwich Met. Borough

Location of town hall: Woolwich

Population est. June 1966: 231,590

Density of persons per acre: 19.8

.....

HACKNEY**Constituent authorities on London reorganisation 1964:**

1 – Hackney Met. Borough; 2 – Shoreditch Met. Borough; 3 – Stoke Newington Met. Borough

Location of town hall: Hackney

Population est. June 1966: 251,310

Density of persons per acre: 52.2

.....

ISLINGTON**Constituent authorities on London reorganisation 1964:**

1 – Finsbury Met. Borough; 2 – Islington Met. Borough

Location of town hall: Islington

Population est. June 1966: 255,150

Density of persons per acre: 69.4

.....

LAMBETH**Constituent authorities on London reorganisation 1964:**

1 – Lambeth Met. Borough; 2 – parts of Wandsworth Met. Borough

Location of town hall: Brixton

Population est. June 1966: 339,400

Density of persons per acre: 50.4

.....

NEWHAM**Constituent authorities on London reorganisation 1964:**

1 – East Ham County Borough; 2 – West Ham County Borough; 3 – parts of Municipal Borough of Barking and Woolwich Met. Borough

Location of town hall: East Ham

Population est. June 1966: 258,690

Density of persons per acre: 28.8

SOUTHWARK**Constituent authorities on London reorganisation 1964:**

1 – Bermondsey Met. Borough; 2 – Camberwell Met. Borough; 3 – Southwark Met. Borough

Location of town hall: Camberwell

Population est. June 1966: 304,140

Density of persons per acre: 42.7

Source: *Godwin's Concise Guide to Local Authorities in England and Wales* (London: 1974).

APPENDIX 2

LOCAL ELECTION RESULTS

(A) London Boroughs

Number of seats from May 1964 to May 1978 . Figures in brackets*, 1964–74, denote aldermen included.

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
Seats	70 (10)*	70 (10)	70 (10)	70 (10)	70 (10)	70 (10)	70 (10)	70 (10)

1964: 7 May

Party	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
Con	26	28 (2)	12 (1)	0	0	19 (1)	0	6
Lab	44 (10)	42 (8)	58 (9)	70 (10)	70 (10)	51 (9)	60 (10)	64 (10)
Lib	0	0	0	0	0	0	3	0
Rate P	0	0	0	0	0	0	7	0
Control	Lab	Lab	Lab	Lab	Lab	Lab	Lab	Lab
Majority	18	14	46	70	70	32	50	58

1968: 9 May

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
Con	54 (5)	47 (5)	44 (6)	36 (5)	52 (5)	62 (5)	6	27
Lab	16 (5)	23 (5)	26 (4)	32 (5)	15 (5)	8 (5)	40 (10)	43 (10)
Lib	0	0	0	2	0	0	3	0
Ind/RateP	0	0	0	0	3	0	21	0
Control	Con	Con	Con	Con	Con	Con	Lab	Lab
Majority	38	24	18	2	34	54	10	16

1971: 13 May

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
Con	27 (5)	16 (5)	10 (5)	5 (5)	5 (5)	14 (5)	0	2
Lab	43 (5)	54 (5)	60 (5)	65 (5)	65 (5)	56 (5)	63 (10)	68 (10)
Lib	0	0	0	0	0	0	0	0
Rate P	0	0	0	0	0	0	7	0
Control	Lab	Lab	Lab	Lab	Lab	Lab	Lab	Lab
Majority	16	38	50	60	60	42	56	66

1974: 2 May

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
Con	25	12	9 (1)	0	0	14	0	4
Lab	45 (10)	58 (10)	61 (9)	70 (10)	70 (10)	56 (10)	61 (10)	66 (10)
Lib	0	0	0	0	0	0	0	0
Rate P	0	0	0	0	0	0	9	0
Control	Lab	Lab	Lab	Lab	Lab	Lab	Lab	Lab
Majority	20	46	52	70	70	42	52	62

Number of seats from May 1978. Appointment of aldermen abolished and some ward boundary changes made.

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
Seats	66	59	62	60	52	64	60	64

1978: 4 May

Party	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
Con	27	26	17	1	2	22	0	8
Lab	39	33	45	59	50	42	57	56
Lib	0	0	0	0	0	0	0	0
Rate P	0	0	0	0	0	0	3	0
Control	Lab	Lab	Lab	Lab	Lab	Lab	Lab	Lab
Majority	12	7	28	58	48	20	54	48

1982: 6 May

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
Con	30	26	16	3	0	27	0	8
Lab	33	33	43	50	51	32	54	53
Lib/SDP	3	0	3	7	1	5	6	0
Ind	0	0	0	0	0	0	0	3
Control	NOC	Lab	Lab	Lab	Lab	NOC	Lab	Lab
Majority	0	7	24	40	50	0	48	42

(B) Greater London Council

Figures in brackets*, 1964–73, denote aldermen included.

Party	1964	1967	1970	1973	1977	1981
Con	41(5)*	92(10)	76(11)	38(6)	64	41
Lab	75(11)	24(6)	40(5)	67(9)	28	50
Lib	0	0	0	2	0	1
Other	0	0	0	0	0	0
Control	Lab	Con	Con	Lab	Con	Lab

Key to Parties:

Ind: Independent

Lab: Labour

Lib: Liberal

Lib/SDP Liberal / Social Democrat Alliance

Rate P: Ratepayers

Source: Colin Rallings and Michael Thrasher (eds.), *Local Elections in Britain: A Statistical Digest* (Plymouth: University of Plymouth, 1993 and 2003).

APPENDIX 3

PARTICIPANTS IN ORAL INTERVIEWS FOR RESEARCH PROJECT: THE POLITICS OF COUNCIL HOUSING AND CENTRAL – LOCAL GOVERNMENT RELATIONS

The interviews were conducted between 2011 and 2013 (King's College London, Research Ethics Committee Ref: REP-H/10/11-6).

NAME	DATE OF INTERVIEW	COUNCIL / ORGANISATION	PERIOD ON COUNCIL	SOME POSITIONS HELD
Austin, John (Austin-Walker) former MP	28 June 2011	Greenwich: Labour MP	1970–94	leader
Bell, Margrett	29 Sept 2011	Greenwich: Labour	1971–86	chief whip
Clarke, Charles (former MP) PC	30 Jan 2013	Hackney: Labour	1980–6	chair of housing services cttee
Copus, Colin Professor	14 May 2012	Newham: Labour	1986–90	
Detre, John	26 Oct 2012	Brent: Conservative	1976–86 2006–10	opposition housing spokesperson
Dobson, Frank MP, PC	4 July 2012	Camden: Labour MP	1971–6	leader
Eckersley, Toby	24 Oct 2012	Southwark: Conservative	1977 onwards	opposition leader
Gilles, David	20 and 26 Feb 2013	Newham: Labour	1978–86	chair housing management cttee
Gillman, Jim	19 April 2011	Greenwich: Labour	1974 onwards with eight year break	chair housing cttee leader
Goss, Sue	13 June 2012	Southwark: Labour	1982–6	chair women's cttee
Goudie, James QC	18 June 2012	Brent: Labour QC	1967–78	chair housing cttee leader
Hodge, Margaret MBE, MP, PC	18 July 2012	Islington: Labour	1973–94	chair housing cttee leader
Hubber, David	17 Dec 2012	Greenwich: Conservative Southwark: LibDem	1968–71 1974–86 2002 onwards	opposition leader
Hyams, David	24 May 2012	Islington: Labour and SDP	1974–90	chair town planning committee
Kendall, Anthony	7 February 2013	Hackney: Labour	1978–90	chair development cttee leader
Leigh, Mary	29 October 2012	Lambeth: Conservative	1982–94	chair housing cttee

Lipsey, David (Lord) CB, MBE	4 February 2013	Special Adviser to Tony Crosland MP, 1972–7	Nil	
MacCarthy, Allan	8 June 2012	Greenwich: Labour	1975 onwards	chair of planning & development cttee
Mills, John	8 February 2013	Camden: Labour	1971–86 1990–2006	chair housing cttee
Morton, Martin	12 December 2012	Camden: Conservative	1964–86	leader
Poston, Dermot	23 June 2011	Greenwich: Conservative	1968 onwards	opposition leader
Raynsford, Nick MP, PC	28 April 2011	Hammersmith: Labour	1971–5	minister: housing & planning; local government

Informal interviews were also conducted with:

John Thane, Maureen Robinson and Roger Robinson (Camden/Labour), Piers Wauchope (Camden/Conservative), Jeremy Fraser (Southwark/Labour) and Tony Belton (Wandsworth/Labour).

Correspondence by email conducted in 2011

Cartwright, John (former MP)	Email exchanges	Greenwich: Labour	1967–74	leader
Friesner, Aleyne	Email exchanges	Greenwich: Labour	1975–86	chair housing cttee

APPENDIX 4**AVERAGE RENTS OF LONDON BOROUGH COUNCILS 1966– 75****WEEKLY (£) – UNREBATED**

Based on 2 bedroom flats and 3 bedroom houses built 1945 to 1964.

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
1966/03								
2-bd flat	..	..	..	..	2.22	2.70	2.26	..
3-bd hse	..	..	..	..	..	3.10	2.35	..
1967/03								
2-bd flat	2.75	..	..	1.77	2.74	2.82	2.26	..
3-bd hse	3.25	..	..	2.34	..	3.07	2.35	..
1968/03								
2-bd flat	2.75	..	..	1.77	2.31	2.82	2.47	2.07
3-bd hse	2.40	..	..	2.34	..	3.27	2.72	2.27
1969/03								
2-bd flat	3.10	..	..	..	2.31	3.20	2.47	2.07
3-bd hse	2.75	..	..	..	..	3.65	2.82	2.27
1970/03								
2-bd flat	3.46	3.94	..	2.66	3.30	3.35	2.67	2.44
3-bd hse	3.11	4.53	..	3.20	..	3.89	3.07	2.68
1971/04								
2-bd flat	3.83	4.00	..	2.70	3.69	3.66	2.87	2.81
3-bd hse	3.48	4.53	..	3.30	..	4.21	3.32	3.08
1972/04								
2-bd flat	3.83	4.00	..	2.73	3.70	3.66	3.27	3.29
3-bd hse	3.48	4.53	..	3.23	..	4.21	3.51	3.64
1973/05								
2-bd flat	4.81	4.85	..	3.65	4.47	4.21	3.77	3.85
3-bd hse	4.95	5.38	..	4.14	..	4.76	4.01	4.26
1974/04								
2-bd flat	5.52	5.42	..	..	4.95	4.70	4.27	4.36
3-bd hse	5.66	6.00	..	..	..	5.26	4.59	4.77
1975/04								
2-bd flat	5.52	..	..	4.21	..	4.70	4.27	4.36
3-bd hse	5.67	..	..	4.66	..	5.26	4.59	4.77

Source: Greater London Council, *Annual Abstract of Greater London Statistics*, 1966 to 1975, vol. 1 to vol. 10 (London: GLC, 1968 - 77).

APPENDIX 5**SALE OF COUNCIL HOUSES BY LONDON BOROUGH COUNCILS****(A) VOLUNTARY SALES BEFORE THE RIGHT TO BUY**

Includes housing built for sale, mainly for young couples

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
1965	..	..	..	..	..	..	..	..
1966	..	..	..	..	..	..	..	..
1967	..	..	..	..	..	..	..	..
1968–78	55	11	34	0	7	35	251	0
1978–9	0	5	0	0	0	35	n/a	47

(B) SALES UNDER THE RIGHT TO BUY AND OTHER SCHEMES

	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
1980/81	2	1	0	0	2	0	0	4
1981/82	191	16	205	24	73	808	266	166
1982/83	387	201	1,026	547	284	267	1,366	486
1983/84	272	128	360	85	224	312	543	285
1984/85	67	104	331	350	26	10	482	197

**SALES 1980–89 AS PERCENTAGE OF BOROUGH'S HOUSING STOCK
(1980)**

1980/1989	8%	5%	9%	5%	5%	6%	15%	6%
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Sources: Greater London Council, *1976 Annual Abstract of Greater London Statistics*, vol. 11 (London: GLC, 1978); London Research Centre, *London Housing Statistics, 1989* (London: London Research Centre, 1990) Table 10.2.

APPENDIX 6

BOROUGH LEADERS 1965–83

Year	Brent	Camden	Green.	Hackney	Islington	Lambeth	Newham	South.
May 1965	George Swannell	Charles Ratchford	Tom Smith	Martin Ottolanguai	D. Gwyn Jones	Archie Cotton	Sam Boyce	Alfred Kemp
1966	Swannell	Ratchford	Smith	Ottolanguai	Jones	Cotton	Boyce	Kemp
1967	Swannell	Ratchford	Smith	Ottolanguai	Jones	Cotton	Boyce	Kemp
May 1968	<i>Edwin Lee</i>	<i>Geoffrey Finsberg</i>	<i>Charlie Miles</i>	<i>D. Bridge-house</i>	<i>Don Bromfield</i>	<i>Bernard Perkins</i>	Boyce	John O'Grady
1969	<i>Lee</i>	<i>Finsberg</i>	<i>Miles</i>	<i>Bridge-house</i>	<i>Michael Morris</i>	<i>Perkins</i>	Boyce	O'Grady
1970	<i>Lee</i>	<i>Martin Morton</i>	<i>Miles</i>	<i>Bridge-house</i>	<i>Morris</i>	<i>Perkins</i>	Boyce	O'Grady
May 1971	Phil Hartley	Millie Miller	John Cartwright	Martin Ottolanguai	D. Gwyn Jones	Charles Dryland	Boyce	O'Grady
1972	Hartley	Miller	Cartwright	Ottolanguai	Gerry Southgate	Dryland	Boyce	O'Grady
1973	Hartley	Frank Dobson	Cartwright	Ottolanguai	Southgate	Dryland	Boyce	O'Grady
May 1974	Hartley	Dobson	Arthur Capelin	Ottolanguai	Southgate	David Stimpson	Boyce	O'Grady
1975	Hartley	Roy Shaw	Capelin	Ottolanguai	Southgate	Stimpson	Boyce	O'Grady
1976	Hartley	Shaw	Capelin	Ottolanguai	Southgate	Stimpson	Jack Hart (July 1976)	O'Grady
1977	James Goudie	Shaw	Capelin	Ottolanguai	Southgate	Stimpson	Hart	O'Grady
May 1978	John Lebor	Shaw	Capelin	Ottolanguai	Southgate	Ted Knight	Hart	O'Grady
1979	Lebor	Shaw	Capelin	Ottolanguai	Southgate	Knight	Hart	O'Grady
1980	Lebor	Shaw	Capelin	Ottolanguai	Southgate	Knight	Hart	O'Grady
1981	Tom Bryson	Shaw	Capelin	John Kotz	Don Hoodless	Knight	Hart	O'Grady
May 1982	Martin Coleman	Phil Turner	J. Austin-Walker	Anthony Kendall	Margaret Hodge	<i>Robin Pitt</i>	Hart	Alan Davis
1983	Coleman	Turner	Austin-Walker	Kendall	Hodge	Ted Knight	Hart	Davis

Conservative leaders are shown in italics

**APPENDIX 7: CAMDEN LABOUR GROUP COUNCILLORS AND ALDERMEN
VOTING RECORD ON HOUSING FINANCE LEGISLATION
SEPTEMBER 1971 TO JANUARY 1973**

KEY: A: abstained I: implement *miss*: absent N: defy law *n/a*: not applicable W: withdraw report
(*): Conservative motion

Labour group policy	New member 1971-2	1971 30 Sep W	1972 03 May N	1972 02 Aug N	1972 11 Oct N	1972 08 Nov N	1972 11 Dec N	1973 10 Jan I
Name and office 1972-3		Yo-yo rents	Defy govt	Defy govt	Recon-sider (*)	Re-affirm	Default Order	Implement
Arnold, Brian	new 1971	W	I	I	<i>miss</i>	I	I	A
Arthur, Richard	new 1971	W	N	N	N	N	N	N
Best, Peter <i>deputy leader</i>		W	N	N	N	N	N	I
Bindman, Geoffrey	new 1971	<i>miss</i>	N	N	A	N	A	N
Buckland, James		W	A	<i>miss</i>	A	<i>miss</i>	<i>miss</i>	I
Campbell, Leila		W	N	N	A	N	N	I
Carrier, John	new 1971	<i>miss</i>	A	I	<i>miss</i>	<i>miss</i>	I	I
Cendrowicz, Michael <i>committee chairman</i>		W	A	I	A	<i>miss</i>	I	I
Clarke, Anthony	new 1971	W	N	N	N	N	N	A
Collins, Richard		W	N	N	N	N	N	N
Dobson, Frank <i>committee chairman</i>	new 1971	W	N	N	N	N	N	I
Duggan, John <i>mayor 1972-3</i>		A	A	A	A	A	A	A
Eidinow, John <i>resigned Jan 1972</i>	new 1971	W	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Evans, Lyndal <i>committee chairman</i>		W	N	<i>miss</i>	A	<i>miss</i>	I	I
Fisher, Sir Samuel		A?	<i>miss</i>	<i>miss</i>	A	<i>miss</i>	<i>miss</i>	I
Gibson, Jill	new 1971	W	N	N	N	N	N	N
Horne, Jennie	new 1971	A	N	N	A	N	N	N
Howe, Ruth		W	<i>miss</i>	<i>miss</i>	A	<i>miss</i>	<i>miss</i>	I
Hughes Stanton, Corin <i>committee chairman</i>		W	N	I	<i>miss</i>	<i>miss</i>	I	I
Humphreys, Robert <i>committee chairman</i>		<i>miss</i>	N	I	A	<i>miss</i>	<i>miss</i>	I
Hymans, Joan	new 1971	W	N	N	N	N	N	N
Jacob, Joseph	new 1971	W	N	N	<i>miss</i>	N	N	N
Jarman, Derek	new 1971	W	N	<i>miss</i>	N	A	<i>miss</i>	I
Jonas, Peter		W	N	<i>miss</i>	N	A	A	I
Jowell, Roger	new 1971	W	N	N	N	N	N	I
Jowell, Tessa	new 1971	W	A	<i>miss</i>	A	<i>miss</i>	<i>miss</i>	I

Keohane, John <i>died March 1972</i>	new 1971	A	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Kuczynski, Irving	new 1971	W	N	N	N	N	N	N
Lipetz, John	new 1971	W	N	N	N	N	N	I
Loughran, Brian	new 1971	A	N	N	N	N	N	N
McIntosh, Neil <i>elected March 1972</i>	new 1972	<i>n/a</i>	N	N	N	N	N	I
Miller, Millie <i>leader</i>		W	N	N	N	N	N	A
Mills, John	new 1971	W	N	N	N	N	N	N
Needham, John	new 1971	A	N	N	N	N	N	N
Oakshott, William		W	N	N	N	N	N	N
O'Connor, Patrick (Paddy)		A	N	N	N	N	N	A
Offenbach, David <i>committee chairman</i>		W	A	I	A	I	I	I
Palmer, John	new 1971	<i>miss</i>	A	I	A	A	I	I
Parnell, Florence <i>deputy mayor 1972-3</i>		<i>miss</i>	N	A	A	<i>miss</i>	A	A
Peskin, Barry	new 1971	W	N	N	N	<i>miss</i>	N	A
Pollard, Derick	new 1971	W	<i>miss</i>	I	A	<i>miss</i>	<i>miss</i>	I
Rhodes, Edward <i>elected July 1972</i>	new 1972	<i>n/a</i>	<i>n/a</i>	N	N	N	N	N
Robinson, Clive	new 1971	A	N	N	N	N	N	A
Rochford, Francis	new 1971	W	N	I	A	I	I	I
Shaw, Roy <i>committee chairman</i>		<i>miss</i>	<i>miss</i>	N	N	N	N	I
Skinner, Albert <i>mayor 1971-2</i>		A	A	I	A	I	I	I
Soutter, Arthur	new 1971	W	N	N	N	N	N	N
Stallard, Albert (Jock) MP		W	<i>miss</i>	<i>miss</i>	A	<i>miss</i>	<i>miss</i>	I
Taylor, Bernard	new 1971	W	N	I	<i>miss</i>	I	I	I
Thane, John	new 1971	W	N	N	N	N	N	I
Thomas, Glyn	new 1971	W	N	N	N	N	N	I
Trevelyan, George	new 1971	<i>miss</i>	N	N	A	I	<i>miss</i>	<i>miss</i>
Turner, Philip	new 1971	A	<i>miss</i>	N	N	N	N	N
Walker, Ivor <i>committee chairman</i>		W	A	<i>miss</i>	A	<i>miss</i>	I	I
Wistrich, Enid		W	N	I	A	<i>miss</i>	<i>miss</i>	I
Wistrich, Ernest		W	N	I	A	<i>miss</i>	<i>miss</i>	I

Source: LBC, Council Minutes, 30 September 1971 to 10 January 1973.