

The need for rented housing

From my experience in setting up what is now one of the largest charitable housing associations in the country I find myself in general agreement with Francis Deutsch's letter about squatters. On only one point do I have reservations, but that is fundamental. Mr Deutsch twice says that the tenant desires *permanent* accommodation, but this is not always true. For over half a century our Rent Act policy has been governed by the concept of the sacrosanct home. The view is that everyone is entitled to a home and, as Mr Deutsch says, it should be 'permanently his, provided he continued to treat it as such and pay the rent'.

The best is the enemy of the good. In giving those who are already tenants this permanency, we often rob those who are homeless of the opportunity of obtaining even temporary accommodation. This is perhaps the most glaring example of how the public suffer when denied the services of a free market. There is no reason why private enterprise should not provide an adequate service of rented housing in the way it provides houses to buy. There are many reasons why people find renting a house or flat more suitable than buying. They may not be able to afford to buy - often because they would have to exchange a heavily subsidised rent for mortgage repayments and interest. But they may want to rent for other reasons. Bad health or old age can render the burdens of ownership insupportable. Or the person may have an occupation requiring mobility, or not yet have decided where to settle, or, being single or widowed, may not desire a permanent establishment.

The person who owns his own house has bought both house and contents in a free market, at the full price. He could choose where to live, sure that there would be plenty of houses or flats to buy in the local market. He could choose his furniture from a wide range of shops displaying every variety of styles, materials and workmanship. The unfurnished tenant is in the same position as regards furniture, but not when it comes to choice of home. He may have to accept a landlord he dislikes (often a local authority), a location which is unsuitable, and premises whose size, age and design are all equally wrong for him. Even that much-maligned creature the council tenant with a large income is not altogether happy with his lot. True he enjoys a subsidised rent, but he contributes to it in heavy taxation. Furthermore it keeps him captive. He would like perhaps to own his house, but is naturally reluctant to give up the equivalent of a handsome tax-free annuity.

The need to rethink housing policy is now being recognised. Restoring a free market would make available much under-used accommodation. Severe hardship is caused by denying would-be tenants the benefit of a free market. We should now accept that *permanent* housing requires purchase, and that tenancy is of its nature temporary. In place of rent control we should rely on social security to prevent hardship. This policy is so radical that it could probably only be successfully implemented on a bipartisan political basis. Is that really an impossibility? {*The Law Society's Guardian Gazette*, 27 October 1976.} LSG1