A STUDY OF SOME ASPECTS OF OWNER OCCUPATION.

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SUMMARY.

Since World War II, housing in Britain has become a politically contentious issue. The quality of housing is often considered to be indicative of a nation's social development. The media have broadcast the shortcomings of various policies: housing has become an emotive concept. This study shows how changing philosophies have affected the housing market and consequently the relative proportion of tenancies. Three political parties now favour owner occupation as the major form of tenancy; in many parts of Britain it has become a normative behaviour pattern. Several researchers have suggested that housing is symbolic of man's social aspirations. It is thought to be associated with social status and interpersonal relationships. As such it may have repercussions on the life-style of the family.

This study traces trends in owner occupation since 1900, and changes in the housing market since the Second World War. The dramatic rise in house prices in 1972 created an intense market situation. First-time purchasers in South-west Surrey were particularly disadvantaged. This study shows the process of buying a house to be a complex intermesh of relationships, yet people were forced to make rapid decisions. An attempt is made to analyse the possible influence of personal characteristics, parental experiences and previous housing conditions on the search and choice processes. The research found differences in attitudes may be associated with respondents' occupational class, and with their life-style.

The implications of the changing pattern in tenure has far-reaching repercussions. There is evidence to suggest the 'social mix' of local communities was changing: that those unable to buy a house may suffer intense feelings of social deprivation; and that the availability of housing may affect mobility and labour recruitment in the area. As such, the influence of housing should not be under-rated in social research.
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INTRODUCTION.

This study originated from my experiences in searching for and buying a house in South West Surrey in 1972. These experiences led me to investigate some of the problems and attitudes of potential first-time house purchasers. It became increasingly apparent that it is inappropriate to consider only one aspect of housing. Consequently my study has had to touch upon many aspects of housing policy.

In Chapter 1, it is shown that the development of a nation's housing is an integral part of its political, social and economic policies. Evidence is presented that Government policies on housing administration can influence the tenure pattern of a nation. Hence the concept of home ownership varies throughout the world.

The importance of housing in social research is also outlined. Several papers have been reviewed that indicate that housing conditions may affect the physical and mental health of its occupants, and that, an individual's personality is affected by his environment.

The motives for home ownership are far from clear, and have been the subject of many research papers. An attempt has been made to describe some of the factors involved, and to identify some of these characteristics in the sample of first-time potential house purchasers interviewed as part of the study.
Chapter 2 outlines the trends in owner occupation in Britain since the turn of the century, with particular reference to recent trends in South West Surrey. It is clear that owner occupation is the most usual form of tenancy in Surrey. But in the period 1972/73, the housing market was experiencing a phenomenal escalation in house prices. There was intense competition in the market, particularly for lower priced properties.

The process of house purchase is investigated in Chapter 3. It is shown to be a complex intermesh of relationships, in which the estate agent may be a very powerful influence in the house search process. The role of the agent was briefly investigated as part of this study. Further research has since been sponsored and is currently being investigated by the recently established Housing Research Unit, University of Surrey.

This study focuses on the house purchase process in the Guildford area. The local housing scene is reviewed in Chapter 3, and evidence is presented that suggests the owner/tenant classification may be a powerful social divide in South West Surrey.

The characteristics of a sample of 54 couples are described in Chapter 4. All these couples were potential first-time house purchasers in South West Surrey. The demographic data presented suggests that the sample is biased towards the young professionals, who were still hopeful of being able to buy a house in this area. It is clear that young manual workers were severely disadvantaged in the house purchase market in South West Surrey.
The respondents' attitudes to the house purchase process is outlined in Chapter 5. There is evidence to suggest that their motives for purchase, the reasons for searching in this area, their search strategies, housing preferences and alternative plans may be associated with their occupational class and anticipated life style. The divergent attitudes between the local couples, newcomers and commuters may be a distinctive feature of potential first time house purchasers in South West Surrey, which is worthy of future research.

A discussion of some of the salient features of this study, and suggestions for further research are included in the concluding Chapter 6.
CHAPTER 1:  A SOCIAL PERSPECTIVE OF HOUSING IN GREAT BRITAIN.

1.1. The Philosophy of Housing Policy in Great Britain.

Since the turn of the nineteenth century, housing policies have been a feature of the administration of successive governments in Britain. Since 1945, housing policy has been a crucial and politically contentious issue at each election. The electorate are becoming more fully aware of the Government's power to control the supply and quality of the nation's housing. The mass media have emphasised many shortcomings of housing policy: pressure groups have been seen to be an effective way of influencing autocratic institutions. There is little doubt that housing policies and administration will become an even more important aspect of Government planning. The consequences of this tendency are far-reaching: the methods by which it will be achieved have important implications for the social structure of the country.

The justification for the Government to assume responsibility for some degree of control of the nation's housing appears to be twofold:

Firstly, the quality of a nation's housing is a reflection of the economic, social and political development of the country. Housing, unlike other consumer durables, has a relatively 'long life': it is an expensive commodity that serves several generations. Responsibility for renewal and maintenance of the stock is a fundamental feature of a progressive society.

Secondly, housing conditions have been recognised as being associated with other social problems in Britain since the turn of the nineteenth century, when the first 'housing regulations' were introduced as part of public health legislation. Research has indicated possible associations between the incidence of disease and poor housing.
conditions (1, 2). Only in the mid twentieth century is there evidence that educational achievement (3, 4), community development patterns (5 - 11), and mobility of labour (12, 13, 14) are associated with housing conditions.

These studies highlight some of the problems often collectively called 'The Housing Problem'. It can be seen that housing problems can be perceived as a scarcity of buildings, difficulties in assessing the relative economics, or as a symbol of social injustices. Seldom are the economic, social, and political aspects considered together.

The housing problem is a dynamic problem. The housing situation, and the criteria by which it is judged are constantly changing. Yet the housing stock cannot change so quickly. Housing policy makers must work within the framework of economic growth, demographic changes and internal movements of population. They can exert very little control over these factors: they can influence demolition and conversion rates, new house building, taxation and housing subsidies. But, are these politically directed policies adequate to deal with the social and economic changes?

Government intervention in housing administration in Britain began during the Industrial Revolution when rapid changes in the social structure of the country were creating severe pressures on the housing market. As a result, for many years British policies tended to follow in the wake of social and economic change. In other countries, the origins of Government intervention in housing policies are varied in nature - to rebuild a war shattered economy in West Germany, to combat depression and mop up unemployment in the building trades in Sweden, to bring about agricultural reform in Italy and to attract key workers to growing industries in several East European countries. From these examples it can be seen that
the situation in West Germany, and to some extent in Sweden, is similar to that in Britain - Government housing policies began as a rescue operation after dramatic social change. In Italy and in Eastern Europe, housing policies were instrumental in initiating social change.

With a greater understanding of deliberate planning, housing policies in Britain are increasingly designed to stimulate and direct economic growth. Such is the origin of the concept of regional development and the growth of the 'New Towns'.

If the role of Government is fundamental to improving the nation's housing, it is important to question the basic philosophy on which housing policies are founded.

Hilary Rose (15) identifies three distinct patterns of housing philosophies:

a) the free market, where everyone gets the type of home they are willing to, or can, pay for,

b) the Social Service philosophy, based on the fundamental assumption of the Government's commitment to see that everyone is decently housed,

c) the social utility concept - that housing should be considered an essential service (like water, gas and electricity) and be supplied at a break-even, rather than profit price.

British housing policies are a mixture of these philosophies: the Conservative party has favoured the free market situation with a very limited responsibility to accept the concept of housing as a Social Service; the Labour party idealises the social utility philosophy, but in effect their policies have favoured the Social Service approach, and recently to some extent, have positively encouraged a return to the free market system. Neither approach can claim to offer a comprehensive policy, whilst the housing situation in Britain presents such disparity of standards. The need for an
organisation like 'Shelter' in a country which has prided itself on its welfare system and many years of philanthropic measures to solve 'the housing problem', is a reflection of the growing recognition of the failures of successive Governments. When in power, each party has been able to do little more than deal with each new crisis, e.g. slum clearance, old peoples' housing. But these crises are symptoms of a chronic problem and a basic disorder.

Some of the symptoms of disorder have been recognised in Britain for many years: other symptoms emerge with each new crisis. Successive Governments have viewed the problems from differing perspectives. Their 'solutions' have demanded varying levels of Government intervention. The changes in the degree of commitment accepted by each Government are symbolic of changes in the basic philosophy of housing policies. Donnison (16) recognises three different levels of Government intervention, and illustrates these differing roles with pertinent examples of the administration of housing policies in Europe.

He identifies the initial stages in Government intervention in housing policies as a transitional phase. Examples of this phase of development are seen in Southern Europe. At the outset, these countries were suffering from the effects of war, and resources were limited. The responsibilities assumed by these Governments led to a proliferation of small-scale projects: since then, the countries have become wealthier, and Governments have been able to take a more objective view of their housing commitments.

Countries with a longer industrial history, e.g. Great Britain and Switzerland have evolved administrations which Donnison identifies as 'social housing policies'. In these countries, the Governments' principal aim is to aid selected groups in the population who cannot achieve housing on the 'open market'. It is only assumed to be 'responsible' for a nation's housing in so far as it will enforce
minimum standards for the protection of public health. It is not expected to prepare a long-term national housing programme.

Donnison identifies the third level of Government involvement as again being a transitional stage - it is the stage at which the Government has extended its commitment, and begins to control the housing market. These policies usually originate from a crisis; the systems emerge from successive adaptations and improvisations: they are characterised by a determination to solve the problems rationally. This has led to an increasingly comprehensive housing commitment. The process is not yet complete: no western country claims to have solved its 'housing problems', but the elements of a comprehensive system are seen in housing administration in Norway, Sweden and West Germany. In these countries, the Government assumes responsibility for estimating housing need, determining and controlling the nature of the house building programme, and allocating the funds. These Governments are no longer regulating, supplementing, stimulating or restraining market conditions: they have assumed responsibility for determining objectives, and organising their administration.

Recently, British housing policies have reflected a tendency for Government's acceptance of a more comprehensive commitment in housing administration. But until this time, housing policies in Britain have more resembled a patchwork quilt which aims to cover or 'cure' isolated symptoms, than a comprehensive policy designed to prevent the chronic ill.

From this brief review of the philosophies of housing administration, and a study of housing policies from the early nineteenth century (17), it can be seen that British housing policies have changed with each successive Government, creating a pendulum effect. Over time, changing social conditions have influenced the development of housing policies within each party. The result has been a fragmentary rescue operation, rather than a comprehensive
long-term plan to cure a basic disorder in society that manifests itself in the quality of our housing. Donnison (18) suggests that the fundamental dilemma underlying most of British housing problems arises from a willing acceptance of great inequalities in the distribution of personal wealth, and a rejection of similar inequalities in the distribution of housing. Yet successive Governments have introduced measures to encourage owner-occupation. The following quotes from political leaders suggest that all parties now favour owner-occupation as a major form of tenancy:

Richard Crossman, MP, Minister for Housing and Local Government, 1965:

"If the provision of subsidised council housing is a social necessity forced on us by the technological development of the modern conurbation, the provision of homes for sale to the potential owner-occupier is in response to a deep call of human nature. The extension of our council housing programme is exceptional: it is born partly out of short term necessity, partly of the special conditions inherent in modern urban life, whereas the building for owner occupation is normal: it reflects a long term social advance which will gradually pervade every region in the country."

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"How will the Conservatives tackle the housing situation? There will be a drive to increase house-ownership, with help from the local authorities both in the sale of council houses in and the provision of finance for purchase of houses."

----- o -----
Peter Walker, MP. 1969

"Less than 50\% of our homes are owned by their owners. The proportion is far too small, it is the owner occupier who takes greatest pride and care in the maintenance of his home. It is the owner occupier who makes major improvements, so as to provide modern amenities. It is the owner occupier who takes the most positive interest in decisions affecting the entire community".

----- o -----  

Geoffrey Rippon, MP. 1968.

"Four out of five people want to buy their own home. By doing so they strengthen their own independence and give security to their families. It is the most important and usually the best investment they will ever make".

----- o -----  


"Liberals believe in a Property Owning Democracy, and have called for measures to make it easier for young married couples to buy their own home".

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But all the measures to encourage owner-occupation, the subtleties and innuendos that create an aura of righteousness attributed to the owner occupier, may initiate intense feelings of social deprivitation for those who are unable to become owner occupiers.
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1. 2. Social Research in Housing.

An indication of the importance of housing in social research was suggested by Rowntree in 1941 (1):-

'housing plays so important a part in the social life of a community, and so much of its income is spent to provide it, that the subject merits detailed attention in any social survey'.

My literature search has shown that research was limited, and usually focussed on empirical studies relating to demographic changes, public health legislation, and characteristics of private and public tenants (2, 3, 4, 5). These and similar studies provide descriptive data on which estimates of future housing need have frequently been based.

Only since World War II has there been an apparent widening of the scope of housing research, which is perhaps evidence of changing attitudes to housing studies in industrialised countries. The critical factors in the massive urban renewal programme were need, time, demand and economics. These factors were the impetus for new thinking.

The concept of community development introduced a wider perspective to traditional methods of town planning. Changing social and economic circumstances have necessitated an interdisciplinary approach. The relevance of social aspects became apparent and increasingly important in planning decisions. These studies may be considered as a method of social appraisal, and have been intended as a guide for architects and planners (6 - 13).
Numerous locality studies have incidentally described housing conditions (14 - 16). Sociologists, concerned with describing the role of the family, kinship and culture within societies have been unable to ignore the importance of housing in their analyses (17 - 22). For example, the studies by Young and Wilmott, and Rosser and Harris indicate that the availability of housing in an area reflects the geographical concentration or dispersal of the kin group. This effect is also documented by Sheila Patterson in her study of West Indian immigrants in Brixton: the housing shortage forced the break-up of many traditional extended family units.

In an attempt to understand the causes of many 'social ills', several researchers have tried to analyse possible relationships between poor housing conditions and the incidence of crime. West (23) summarises the findings of some of the factors that are a contributory factor in the incidence of crime. Newman (24) suggests that pride in a 'defensible space' is associated with a lower incidence of crime. But Bagley's findings in 1965 (25) suggest that rehousing is insufficient to reduce the established rate of crime.

Educational researchers have suggested a possible association between educational achievement and housing conditions. The extensive research by Davie, Butler and Goldstein (26) for the National Child Development Study concludes that "the most potent factors in the discrepancy of educational achievement of children aged 7 years were in the home environment". The Plowden Committee (27), recognising the influence of the home environment, recommended the establishment of 'educational priority areas'. But Titmus (28) was critical of this policy which may be regarded as curing the symptom rather than the cause.
Since World War II in Western countries there has been a growing awareness of a social malaise which appeared to characterise some areas of new housing. Several studies have attempted to investigate the incidence of mental illness in such areas (29, 30). These authors suggest that the lack of social facilities in the new developments may be important influences in the rate of mental instability of the residents. In contrast, Hare & Shaw (31), and Taylor & Chave (32) present detailed evidence to suggest that there is no relationship between neurosis and housing conditions. But Taylor and Chave also suggested that the incidence of psychosis was much reduced in a planned new town.

Several social reformers have been concerned by the effects of poor housing on the physical and mental health of the people who live in squalid conditions (25). Several studies point to the possible association of unsatisfactory housing with certain types of disease (33, 34). But as Alvin Schorr (35) comments it is difficult to demonstrate that poor housing is directly responsible for physical ill-health - rather, both are secondary effects of poverty! There is however clearer evidence that space standards in the home may affect the mental state of family members (36).

Many studies have shown that the use of space within the home is of considerable social significance. The amount and division of space is often symbolic of relationships within the family. The association of physical structure of the dwelling with behaviour patterns is evident in the design of certain types of dwelling e.g. in polygamous societies the home is segmented to accommodate each separate unit; in nineteenth century England the home incorporated the workshop; Alpine chalets and Scottish crofts still reflect this tendency. Williams (16), in his study of Gosforth farms shows that
there is no differentiation in the way the farmer and his labourers use the farmhouse, and he suggests this is symbolic of social equality.

More recently the use of space in the home has been investigated in relation to family behaviour patterns. Altman, Nelson and Lett (37) suggested that two characteristically different family types existed and this was reflected in certain consistent behaviour patterns: the 'open/informal' family had less rigid boundaries in their use of space e.g. doors left open, equal access to special rooms and multiple use of rooms; the 'closed/formal' family tended to have a more rigid defined use of rooms characterised by certain functions in specific rooms. Canter and Hoi Lee (38) suggest a similar phenomenon in their analysis of the frequency of occurrence of certain items of furniture in Japanese homes.

In several studies housing conditions are considered to be a determinant of interpersonal behaviour patterns:-

- Young and Willmott (17) suggest the social life in the street is a response to crowded housing conditions.
- Rosser and Harris (18) compare domestic arrangements in shared households in Swansea and Bethnal Green. In Swansea the household tends to live as one unit, whilst in Bethnal Green they form separate households. They do not make it clear whether the difference is due primarily to cultural differences or to variation in size and style of dwelling.
- Mogey (39) describes the allocation and performance of some household tasks; in his comparison of the use of rooms in traditional and modern houses, he questions the suitability of the type of house for certain life styles.
- In discussing attitudes of mothers to toilet training their children the Newsons (40) mention the possible influence of the widespread ownership of carpets and the lack of laundry facilities.
From this brief review of patterns of social behaviour it is apparent that housing conditions may have some influence on the ways in which man adjusts to his environment, and the ways in which his physical surroundings affect his behaviour and his personal relationships. The complexity and influence of these associations is not yet understood, but there is sufficient evidence to suggest that the pertinence of housing research should not be under-rated.

Housing has become an important element in the evaluation of the social development of a society. Conceptually divergent philosophies have given use to differing housing policies. Consequently, the concept of home ownership varies throughout the world.

The relationship between housing and politics was recognised in the mid-nineteenth century when Engels suggested that housing problems in Britain were a product of the Capitalist concept of ownership of property. He associates the ownership of property with a symbol of authority in society. Certainly, the origins of the British Parliament were far from egalitarian (42 - 45). An important Act of 1429 regulated county franchise for four centuries (46):

- "electors shall be persons resident in the county, each of whom shall have freehold to the value of 40 shillings per year".

Representation was thus a mark of privilege and responsibility. The Act justified this limitation as:

- "Elections of late have been made by a very great, outrageous and excessive number of people, of which most part were people of small substance and no value, whereof every of them pretended a voice equivalent as to such election with the most worthy knights and squires".

This system of franchise was slightly modified by the Reform Act of 1832, but the basis to qualify for an electoral vote remained tied to property ownership.
From such rudimentary origins, the British people were indoctrinated in the belief that property ownership was a symbol of responsibility. The origins of local authority housing in Britain were founded on the principle of a social service for working class housing. But with increasing industrialisation, housing problems became more acute, and the role of the local authority housing department became more of a social rescue operation. The conflict of these roles was apparent in administration of housing policy. The effect of the conflict was to intensify the stigma of local authority tenants.

Rex and Moore have attempted to analyse the social structure which is set up by the ownership and control of housing (47). They identify five 'housing classes', which broadly represent different types of tenure:

- owner occupier; council house tenant; tenant of privately rented house; living-in lodging house landlord; tenant of privately rented flat.

Each class has its own entry qualifications governed by the socio-economic system. Membership of these classes is seen to be a factor in 'determining a man's associations, his interests, his life style and his position in the urban social structure'. There is no doubt that, at least in the legal sense, tenure divides the housing market into different sectors, in each of which the individual householder has different degrees of security, and opportunity for different types of financial assistance from the State. Further access to different types of tenure is controlled by additional factors other than 'ability to pay for goods offered', e.g. age, occupation and housing need. Thus Rex and Moore's analysis provides only a limited insight to housing as a social process. It is insufficient to explain how people within these classes achieve housing of different quality.
In an area such as Birmingham where Rex and Moore conducted their study, there may be an acute housing shortage. They recognise that competition for scarce resources may produce a peculiarly individual social structure. In a situation of equilibrium or surplus, competition may be latent, and the possibility of choice within a given price range enables divergent housing goals to appear. But, if as Rex and Moore suggest, membership of a particular 'housing class' is influential in determining a man's life style, it is surely important to understand why people enter a certain tenure group. But, as yet, little definitive research has been undertaken on choice of tenure.

There is only sketchy information available on the motives for home ownership. Some indications of motives for choice of tenure was attempted by Cullingworth in Glasgow in 1965 (48), who concluded that for owner occupiers the house and area were important considerations, but renters sufficed with what they considered to be the 'best available'. In his comparison of owners, and renters who would prefer to own, Cullingworth identifies an interesting difference in attitude: renters perceive owner occupation as giving them more security, and pride of ownership, whilst owners emphasise the financial advantages of ownership.

However, there is uniformity in the official view for the desirability of home ownership. Political leaders have advocated home ownership and promoted the concept as, a means of saving, promotes good citizenship, induces better maintenance of property, provides varied housing stock, enhances the quality of urban renewal, relieves public involvement. (See previous quotations).

But research on the motives for home ownership has provided conflicting evidence. This may, in part be due to different samples of respondents, differences in time, the way in which the information
was obtained, and interviewer biases. It is, however, clear that home owners and potential owners have very differing motives for buying a house. Within this conflicting evidence, similar underlying themes have been suggested by several researchers. From a review of several studies (49, 50, 51), Jennifer Brown (52) makes the following broad classification of motives for home ownership -

SECURITY/INDEPENDENCE - the desire to own a home which may represent security, freedom of choice, freedom from landlord, incentive for improvement.

EMOTIONAL - independence, individualism, psychic security, ego satisfaction

STATUS - an indicator of success, a prestige symbol

LIVING PATTERNS - family life style, aspirations, mobility

FINANCIAL - cheaper than renting, investment, insurance for old age

In a comparative summary of the results of these studies, Brown believes the disparity in rank order of motives for home ownership was due to the widely different samples taken for each study. For example, Roscow interviewed 33 professional people in Detroit who had built their own homes. The Housing Research Foundation surveyed 3 owners, 31 mortgagors, 16 local authority tenants, 7 private landlords, 3 rent-free and 1 housing association member; who were mainly lower middle-class/upper working class socio-economic group. This alone may account for difference in ranking of the financial aims of the two samples. Similarly, it is difficult to assess the influence of different cultural backgrounds or the effect of the date of the study. Despite the inadequacy of trying to make comparisons between very different studies, it is clear that these studies indicate a dynamic complex of motives for home ownership.
In an attempt to explain the differences in underlying motives for home ownership, several researchers have outlined possible associations with social class. Madge (53) quotes the work of several early researchers to construct a scale of social status (54 - 58). He suggests that despite the apparent convergence of social class characteristics, there are distinctive class differences in ideology and behaviour that transcend differences in wealth, and that the quality of the home can quite properly be used as one component in the perennial search for an objective index of social class. The two main differences between middle class and working class ideologies that are reflected in their home are:

- **middle class** Stress on individualism - home must have privacy and self expression
- **working class** Stress on saving and repairing - greater provision for storage of possessions

This dichotomy would support findings by John Dean when he studied motives for owner occupation in Ohio in 1951 (59). He reported that working class respondents valued the notion of security for old age, whilst the middle class group were status striving. In the U.S.A., status is generally derived from the rewards an individual has acquired; in Britain status is often determined by class and rewards accrue from that status (60).

Frankenberg (15) bases his discussion of social structure of communities in Britain, on Weber's definitions:

"Class distinctions are linked in the most varied ways with status distinctions. Property as such is not always recognised as a status qualification, but in the long run it is, and with extraordinary regularity".
"With some over-simplification, one might thus say that 'classes' are stratified according to their relations to the production and acquisition of goods; whereas status groups are stratified according to the principles of their consumption of goods represented by special styles of life".

Hence it would seem more appropriate to consider the concept of social status in relation to home ownership. This stratification allows differentiation within and between social classes; it goes some way to explaining why people within each of Rex and Moore's 'housing classes' achieve different standards of accommodation. Chapman's (61) definition of social status incorporates estimation of a person's 'position' in relation to income, occupation, education, culture and standard of living. These factors are seen to be inter-related; his 'social status scale' assumes these factors to be quantifiable. Given this basic criterion, the scale assumes 'that status groups in the population tend to live in houses suited to their pattern of family and social life, and that they tend to furnish, equip and decorate them in ways which reflect the components of status, occupation, education, culture, display, intra and extra familial social life and social participation'. Given these constraints, it is hardly surprising that Chapman seemingly engenders a valid scale of social status. However, his work is some evidence to suggest that the 'home' is an indicator of social status.

This tendency was very apparent in the nineteenth and early twentieth centuries. But the effects of war, rapidly increasing population, mass production building programmes and rising living standards has greatly reduced social differentiation in housing in affluent nations. The trend was seen as a merging of social classes. The concept of embourgeoisement of the working class has been discussed
by Goldthorpe and Lockwood (62). It is interesting to note that they used income, ownership of major consumer durables and owner occupier/tenant status as indicators of the extent to which manual workers had achieved parity in living standards with their white collar sample. Despite the apparent convergence of income and expenditure levels of different social classes, Goldthorpe and Lockwood provide evidence to suggest that there is little basis for an ambitious thesis of embourgeoisement. They cite several studies in different parts of Britain which point to a marked degree of status segregation in housing (63, 64, 65).

But recent changes in the demographic structure, a housing shortage, inflation and escalating house prices have destroyed the relative equilibrium of the housing market of the 1960s. The effect of these changes is unprecedented in housing history. Many people are committed to spending a far greater proportion of their income on housing than had previously been necessary. Many others, who aspired to become owner occupiers found that they were unable to buy a house. The consequences are as yet unknown, and the effects may be far-reaching.

The concept of relative deprivation was suggested by Rancliman (66) as being a more robust hypothesis than the widely acclaimed status congruence theory. Christopher Bagley (67) neatly summarises the theory of relative deprivation:

"feelings of satisfaction are derived from comparing one's lot, material or otherwise, with that of the majority of people who are similar to one in many other ways".

In his study of racial prejudice in five English boroughs, Bagley presents evidence to suggest that there is a significant relationship between relative deprivation in housing quality and extreme racial prejudice.
This study includes a cursory examination of the concept of relative deprivation, as it may apply to potential home owners. From the data collected in the course of this research (68), it is apparent that some respondents have intense feelings of hostility towards home owners and society's value of owner occupation. In the words of a frustrated council house tenant:

"racial discrimination we acknowledge - social discrimination we choose to ignore".
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CHAPTER 2.

THE HOUSING MARKET.

Since Government intervention in housing policy and administration in the early 1900s, the housing market can no longer be considered a true market system based on the classical economic theory of 'supply and demand'. Government policies have aimed at a redistribution of housing opportunities for differing socio-economic groups. To some extent, they have achieved this by a complex system of loans, grants, tax relief and direct subsidies. Calculation of the relative proportion of these 'aids' has theoretically been based on 'housing need'. (1)

But until recently, no attempt has been made to identify the concept of 'housing need'. Quantitative estimates have been made from studies of demographic changes and qualitative assessment of the housing stock. Thus the supply of new dwellings and the relative proportion of various types of tenure have been based on measures that take little account of 'need or demand'.

The notion of housing 'need' is defined as 'the extent to which the quantity and quality of existing accommodation falls short of that required to provide each household or person in the population with accommodation of a minimum standard and above, irrespective of ability to pay, or of particular personal preferences.' (2).

Needleman suggests that estimates of housing need are not intended as forecasts. But unless this is identified, 'future housing need' cannot be estimated. In his definition of housing demand - 'the accommodation for which people are able and willing to pay' - he introduces the notion of consumer preference, which was deliberately excluded from the concept of 'need'. These definitions are typical of the conventional approach to housing research. But it is unrealistic
to ignore the effect of latent demand in a consumer-oriented market.

Holman's (3) attempt to forecast the effective demand for housing in Britain gives estimates based on several assumptions:
- that Government policy would continue as it was at the beginning of 1970
- the housing preferences of new householders, and of those wishing to change
- the rate of personal incomes.

These assumptions indicate some of the complexities of predicting demand. A team of researchers, directed by Greve (4) outline many of the practical difficulties in their attempts to identify housing demand in South Hampshire.

The Economist suggested that the relationship between supply and demand in housing may be likened to the classical economic phenomenon known to economists as the 'hog cycle'. (5). The principle may occur wherever supply can only be altered over a long period. In the case of pigs, price one year determines supply in the following year. The effect results in wide fluctuations in price, unless production level is stabilised. House prices have not proven as susceptible to annual variation as the price of pigs, but the rate of increase in house prices shows a distinctive pattern. As prices rise, the market becomes very competitive, especially for lower priced houses. The following diagram illustrates that changes are becoming more violent. At this point in the 'hog cycle', there is effectively an 'explosion', when prices are discrepant and unpredictable. This is usually a temporary phenomenon whilst the market stabilises.
There is no clear cut cause for these changes. Several 'reasons' have been suggested:

- Foster and Whitehead (6) point to an increased demand due to demographic changes associated with a decline in the rate of house building in the late 1960s.

- The Economist (7) criticises the inflexibility of building society allocation of funds. Liberal lending facilities may encourage ownership amongst those who cannot afford to buy.

- G.A. Hughes (8) dispels the notion of rising land prices being instrumental in escalating house prices (9).

It is clear that the housing market is very susceptible to change; that trends in one sector of the market influences other sectors; wide regional variation is apparent. Yet, by its nature, the housing market is very inflexible. The effect of Government legislation in one sector of the housing market may cause considerable strain in another sector. For instance, a factor in the rising demand for owner occupation may be the lack of a viable alternative form of tenure, since legislation has effectively reduced the number of private lettings. Together with this, British housing policy has never
resolved the dilemma in the philosophy of local authority housing. The effects of conflicting policies, and the constraints in the housing market have precluded 'choice' in housing for many people.
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(6) (New Society, March 14th, 1974. p.641.)

(7) (Op. Cit. 5.)


(9) (The Economist May 15th 1971 Business Brief p.68.)
Before 1914, there is a lack of precise information on the extent and nature of owner occupation in Great Britain. A sketchy picture of the situation can be drawn from the fragmented information from the early social researchers, e.g. Rowntree (1), Fripp (2), from the history of the building society movement (3), (4) and from historical novels. J.C. Spensley (5) has attempted to supply some information on the extent of owner occupation. John Greve (6) incidentally presents a clear description of the growth of owner occupation in illustrating the decline of private rented accommodation.

There is sketchy evidence to suggest that owner occupation was not confined to the upper classes. Bernard Ineichen (7) suggests that it is however likely that home owners among manual workers were artisans and skilled workers. A survey of labourers in Bristol (Fripp, 1838) found only 0.3% were owner occupiers; in a study of 680 working class home owners in York at the turn of the century (Rowntree, 1901), only 8 were labourers. Both Cleary (3) and Hobson (4) cite instances in which working men were persuaded to become owner occupiers to secure enfranchisement. Early in the nineteenth century the Halifax Building Society offered special terms for owner occupiers wanting a small mortgage. The disproportionate growth of the building society movement suggests that there was regional variation in the demand for owner occupation.

The effect of the First World War was to change the nature of the housing market in Britain. Private housebuilding ceased; rent control was imposed; immediately after the war, local authorities controlled all development. Cleary (3) outlines some of the factors which may have influenced changing attitudes to tenure type:

- rent restrictions gave landlords the incentive to sell to sitting tenants.
- the growth of the building society movement assisted the trends towards increasing owner occupation
- saving had become a habit during the War, and the fear of unemployment was incentive for many people to continue saving.

Demand for better housing grew and building society members were eager to utilise their investment. Public pressure for more homes for owner occupation resulted in the Government relaxing its strict controls on private building, and the 1923 HOUSING ACT marked the beginnings of Government subsidies for private building. The period 1920-1930 was the era of change in the relative proportion of tenure types.

There is evidence that there was considerable variation in these changes in different parts of the country. Johnson (8) describes the rapid growth of London in the inter-war years - one third of the total population increase was in London. This marked the growth of large scale suburban building for owner occupation.

It is apparent that growth in demand for owner occupation was not evenly distributed in all social classes. Two surveys of spending habits in 1939 indicate that nearly 50% of middle class were owner occupiers, compared with 18% of urban working class (9). But there is evidence of rapidly increasing demand for owner occupation amongst the working classes. At first this demand occurred in isolated pockets dependent on local housing conditions; in one building society the proportion of wage earners rose from 35% in the 1920s to 50% by 1936 (10).

The Second World War had a dramatic impact on the demand for houses for owner occupation. The post war situation was similar to that of 1919 - local authorities controlled all building, rent control and incentives for private landlords to sell, accompanied by public determination for better housing. As regulations were slowly relaxed,
the pent-up demand for housing exploded.

The dramatic change in tenure, exemplified by the increase in owner occupation from 26% in 1945 to 52% in 1971 is shown in Figure 2.1(i).
The relative changes in tenure groupings are illustrated in Fig. 2.1(ii) and Fig. 2.1(iii).
These changes are an indication of a major social change. Few social revolutions have taken place with so little publicity.

REGIONAL VARIATION IN TYPE OF TENURE (Fig. 2.1(iv))
The variation in the percentages of owner occupation is too great to be explained solely by factors such as social class, and variation in income levels. The differences in the proportion of home owners is more due to differences in the proportion of local authority tenants, than in the proportion of tenants of private landlords. As there is no consistent pattern in the regional distribution of home owners, it is probable that historical and cultural factors are influential in the relative proportion of tenancies. An example of this is seen in the differences in home ownership patterns in Lancashire and Yorkshire. A strong tradition for home ownership is apparent in some parts of the country.

LOCAL VARIATION IN TYPE OF TENURE (Fig. 2.1(v))
The proportion of home ownership varies widely throughout the country. Local conditions greatly affect the relative tenure types, which give rise to startling contrasts: e.g. the level of home ownership is nine times greater in Burnley than in Westminster, and seven times greater in Bury than in Corby.
In Surrey, it would appear that Guildford and Dorking are already fully developed, as they exhibit slower growth rates than the rapid expansion apparent in the surrounding area. (Fig. 2.1(v)).
Fig. 2 I (I) OWNER OCCUPATION IN ENGLAND AND WALES 1919-1969

Source: Constance Rollett 'Housing' in A.H. Halsey Trends in British Society since 1900.
### Fig. 2 I (II)  STOCK OF DWELLINGS IN GREAT BRITAIN: CHANGE AND TENURE 1950-1971 (THOUSANDS)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Occupied</td>
<td>6966 (42)</td>
<td>8229 (46)</td>
<td>9029 (48.3)</td>
<td>9249 (48.8)</td>
<td>9460 (49.4)</td>
<td>97.03 (49.96)</td>
</tr>
<tr>
<td>Rented from local authority</td>
<td>4388 (26)</td>
<td>5005 (28.1)</td>
<td>5504 (29.3)</td>
<td>5670 (29.9)</td>
<td>5835 (30.5)</td>
<td>5963 (30.70)</td>
</tr>
<tr>
<td>Rented from private landlord</td>
<td>4297 (25)</td>
<td>3600 (20.20)</td>
<td>3152 (16.89)</td>
<td>3033 (16.03)</td>
<td>2913 (15.19)</td>
<td>2793 (14.38)</td>
</tr>
<tr>
<td>Other Homes</td>
<td>926 (5.5)</td>
<td>947 (5.3)</td>
<td>971 (5.2)</td>
<td>968 (5.1)</td>
<td>964 (5.02)</td>
<td>959 (4.9)</td>
</tr>
</tbody>
</table>

Source: Housing Statistics.
### Regional Variation in Type of Tenure in Great Britain 1971

<table>
<thead>
<tr>
<th>Area</th>
<th>Owner Occupied</th>
<th>Local Authority</th>
<th>Private Renters</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Britain</td>
<td>50%</td>
<td>31%</td>
<td>14%</td>
<td>5%</td>
</tr>
<tr>
<td>Scotland</td>
<td>30%</td>
<td>52%</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>N. Ireland</td>
<td>43%</td>
<td>31%</td>
<td>25%</td>
<td>1%</td>
</tr>
<tr>
<td>Wales</td>
<td>54%</td>
<td>29%</td>
<td>12%</td>
<td>5%</td>
</tr>
<tr>
<td>Northern England</td>
<td>42%</td>
<td>38%</td>
<td>14%</td>
<td>5%</td>
</tr>
<tr>
<td>Yorks. Humberside</td>
<td>49%</td>
<td>31%</td>
<td>15%</td>
<td>5%</td>
</tr>
<tr>
<td>North-West</td>
<td>55%</td>
<td>27%</td>
<td>15%</td>
<td>3%</td>
</tr>
<tr>
<td>Tyneside</td>
<td>31%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>S.E. Lancs.</td>
<td>49.3%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>East Midlands</td>
<td>52%</td>
<td>26%</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td>West Midlands</td>
<td>51%</td>
<td>35%</td>
<td>10%</td>
<td>4%</td>
</tr>
<tr>
<td>East Anglia</td>
<td>52%</td>
<td>26%</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td>South-East</td>
<td>53%</td>
<td>26%</td>
<td>17%</td>
<td>4%</td>
</tr>
<tr>
<td>Greater London</td>
<td>46%</td>
<td>28%</td>
<td>23%</td>
<td>3%</td>
</tr>
<tr>
<td>Outer Metropolitan</td>
<td>57%</td>
<td>28%</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Other S.E.</td>
<td>58%</td>
<td>21%</td>
<td>14%</td>
<td>7%</td>
</tr>
<tr>
<td>South-West</td>
<td>58%</td>
<td>24%</td>
<td>11%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: Housing Statistics.
**Fig. 2 I (V) LOCAL VARIATIONS IN TYPE OF TENURE**

<table>
<thead>
<tr>
<th>Area</th>
<th>Number of Households</th>
<th>% Owner Occupied</th>
<th>% Change Since 1961</th>
<th>% Local Authority</th>
<th>% Privately Rented</th>
</tr>
</thead>
<tbody>
<tr>
<td>GUILDFORD R.D.</td>
<td>18,180</td>
<td>61.6</td>
<td>4.5</td>
<td>15.9</td>
<td>12.4</td>
</tr>
<tr>
<td>WOKING</td>
<td>21,500</td>
<td>60.6</td>
<td>+5.2</td>
<td>20.5</td>
<td>13.8</td>
</tr>
<tr>
<td>ALDERSHOT</td>
<td>9,430</td>
<td>38.7</td>
<td>+5.6</td>
<td>22.1</td>
<td>22.3</td>
</tr>
<tr>
<td>PARNHAM</td>
<td>9,750</td>
<td>59.8</td>
<td>6.4</td>
<td>15.8</td>
<td>15.2</td>
</tr>
<tr>
<td>DORKING</td>
<td>7,480</td>
<td>52.0</td>
<td>+0.8</td>
<td>19.1</td>
<td>23.5</td>
</tr>
<tr>
<td>PARBOROUGH</td>
<td>10,230</td>
<td>52.0</td>
<td>+8.5</td>
<td>21.7</td>
<td>18.3</td>
</tr>
<tr>
<td>HORSHAM</td>
<td>7,530</td>
<td>50.2</td>
<td>+7.4</td>
<td>18.7</td>
<td>14.1</td>
</tr>
</tbody>
</table>

*Source: 1966 Sample Census.*
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CHAPTER 2.1. 'TRENDS IN OWNER OCCUPATION IN GREAT BRITAIN'.

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     University Paperback 1968.
The most recent definitive portrait of house purchasers can be drawn from analysis of statistics published by the Nationwide Building Society (1). At four yearly intervals since 1960 the Society has undertaken a survey of their mortgages. Each sample has included about 10,000 people. This represents approximately 7% of mortgages granted by all building societies during this period. The sample is admittedly biased in that all respondents were mortgagees of the Nationwide Building Society. No estimation of this bias is offered. But, in view of the lack of any comparable statistics from other sources, the data published by Nationwide goes some way to identifying the characteristics of house purchasers.

AGE OF HOUSE PURCHASERS

It is evident that, for most people, the decision to become owner occupiers is made under 29 years of age; the proportionate increase in new owner occupiers decreases with succeeding age groups. A dramatic change is noticed in the distribution of tenancies in the privately rented (furnished) sector. It would appear that during the 1960s, there was an increasing tendency for young people to buy a house. The proportion of people under 25 years had increased from 15.7% in 1960 to 32.6% by 1968. It is interesting to note that, despite rapidly rising prices in 1968-1972, the proportion of purchasers under 25 years remained constant during this period. This increase in the proportion of young purchasers is reflected in the decline of purchasers in the 35-44 and 45-54 year age groups over this period. There is, however, evidence of the changing age distribution of house purchasers in 1972-1974. A decline in the proportion of purchasers aged 18-25 years is equalled by an
increase in the proportion of purchasers aged 26-30 years. These findings would suggest that young people were delaying the purchase of a house. This may support the suggestion in the popular press that young people are unable to buy a house because of escalating prices. The evidence from the Nationwide surveys suggests that increased prices may affect the age distribution of house purchasers.

These data also suggest that buyers of new houses are on average younger than buyers of existing houses. Various reasons are suggested to explain this tendency:

- new property developments often attract 100% mortgages
- the administration of the house purchase is offered as a bumper bundle to the potential occupier
- new property developments are often on the outskirts of town, with restricted access to amenities, with a consequent reduction in price
- younger purchasers (often first-time purchasers) are attracted by the apparent financial security offered by investing in a new property.

OCCUPATIONS OF HOUSE PURCHASERS

There is evidence of a consistent trend in every region of a slight increase in the percentage of salaried workers who became home owners during the period of the survey. As there is no evidence that the ratio of wage earners: salaried workers changed dramatically during this time, these data suggest that wage earners were becoming relatively deprived in the house purchase market.

The data indicates that more salaried workers than wage earners buy new properties. The gap narrowed in the mid 1960s, but there was a dramatic change to widen the gap by 20% in 1968-1972.
It would appear, therefore, that not only are the chances of a wage earner becoming an owner occupier declining, but his choice in style of house is becoming more restricted.

The variations in ownership of different occupational groups, 1966-1972, can be summarised:

<table>
<thead>
<tr>
<th>OCCUPATIONAL GROUP</th>
<th>TRENDS IN HOME OWNERSHIP 1966-1972</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fishing, Agriculture and Mining</td>
<td>Fairly consistent: range 0.2-2.5%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Noticeable decline in percentage of house purchasers employed in manufacturing industries. Average fall - 8%</td>
</tr>
<tr>
<td>Building &amp; contracting</td>
<td>Fairly consistent rise of approximately 1-2%, except in North West - exceptionally high rise of 4.9%. Several regions show increase 1966-1970 and decrease 1970-1972 e.g. London and South-east 1966 - 4.5% 1970 - 7.4% 1972 - 5.8%</td>
</tr>
<tr>
<td>Transport &amp; Communication</td>
<td>Consistent decline in percentage of house purchasers - average 1.5%</td>
</tr>
<tr>
<td>Warehousemen</td>
<td>Slight variation in trends. All areas, except western, variation is ± 0.1%; in west, decline of 0.9%</td>
</tr>
<tr>
<td>Management &amp; administration</td>
<td>Overall trend for Great Britain shows slight decline, but there are wide variations e.g. London &amp; S.E. - 0.4% increase Southern - 3.3% &quot; Eastern - 2.5% decrease Scotland - 5.4% &quot; N. Ireland - 8.3% &quot;</td>
</tr>
<tr>
<td>Commerce</td>
<td>Fairly consistent increase of approx. 4%. Exceptions are Scotland and N. Ireland, where there was an increase 1966-1970, and decrease 1970-1972. Variation is particularly marked in N. Ireland.</td>
</tr>
<tr>
<td>Clerical</td>
<td>Consistent increases averaging 7%. Greatest increases in Scotland (9.5%) and N. Ireland (12.1%)</td>
</tr>
<tr>
<td>Professional &amp; Technical</td>
<td>Consistent decline averaging 2-3%, except in Western region - 5.9% decline Scotland - 7.4% &quot;</td>
</tr>
</tbody>
</table>
OCCUPATIONAL GROUP

Defence services
Miscellaneous & Entertainment
 Others

TRENDS IN HOME OWNERSHIP 1966-1972

Slight upward trend, averaging 3%
Trends are relatively stable. Variation approximately 0.5%
Increasing trend averaging 0.4%
consistent throughout the regions

These data support the trends already suggested that salaried personnel (in particular commercial and clerical workers) were becoming increasingly advantaged in the house purchase market.

INCOME OF HOUSE PURCHASERS

Income is often considered to be sole determinant in choice of tenure type. There is now considerable evidence to suggest this is an erroneous assumption. Wishlade in his study for the Housing Research Foundation, 1970, illustrates this. It is clearly obvious from statistics published from the Family Expenditure Survey, 1968, that owner occupation is associated with higher income groups. The lower income groups either rent from private landlords, or are owners (these may be pensioners who have redeemed their mortgage). These data would appear to support the assertion that the poorest are not necessarily the ones who benefit from the advantages of local authority housing.

It is interesting to note that the proportion of mortgagees and local authority tenants earning £25-£30 per week in 1968 is approximately equal. This may be considered as evidence that the 'ownership/tenancy decision is not solely determined by income.

G.A. Hughes in his study on 'Inflation and Housing' (Housing Researching Foundation 1974) analyses the changes in income levels 1963-1973, the relationship with tenure type and the ratio of new house prices to average earnings and household income. As building societies, local authorities and government use different criteria when assessing a household eligibility for loans, it is important to distinguish between head of household earnings (usually the male),
and total household income. Hughes shows that over this period the average annual earnings for adult male workers and total household income have behaved similarly, but that changes in taxation 1967-72 were slightly advantageous to the two person adult household. Statistics from the Family Expenditure Surveys of 1963 and 1973 show that manual workers' income proportionately increased from 76% to 85% of a non-manual worker by 1973. These increases were not manifest in the analysis of the Nationwide Building Society statistics, which showed a decrease in the proportion of manual workers who became owner occupiers during this time. This may be partly explained by comparisons of the movement of incomes and prices over this period; incomes were substantially greater than retail prices, but the median price of a new house rose at the same rate as incomes. This may result in the manual worker feeling no nearer to being able to buy his own house. It may even be that he feels more disadvantaged, for although his income and house prices rose at similar rates, as house prices are substantially more than income, the changes would appear disproportionately greater.

Data collected in the Family Expenditure Survey on household incomes may be used to compare incomes for families living in different tenure types. These data show a gradual increase in the income of owner occupier households with a mortgage relative to local authority tenants. Similarly the gap between local authority tenants and private tenants has increased in the past decade. Within each group the proportion of the total household income earned by head of household remained constant. The difference in this proportion between tenure groups may reflect the tendency for more tenants than owner occupiers wives to be employed.
Hughes calculates that the ratio of median new house price to annual incomes of various groups was fairly consistent throughout the period: 1973 was an exceptional year. On the basis of these ratios, Hughes suggests that the median new house price was increased by £1370 in 1973. He considers that as incomes were still rising in 1973, but house prices appeared to have stabilised, the ratio may have returned to its norm by 1975. Statistics published by the Nationwide Building Society show regional variations in the weekly income of house purchasers.

At each survey it was found necessary to introduce new income categories. The upward shift reflects the trend of increasing incomes during this period. The pattern of changes of home ownership within each grouping can be summarised:

<table>
<thead>
<tr>
<th>Weekly Income</th>
<th>Home Ownership Trend 1966-1972</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to £15.</td>
<td>Decline from 5% to 0.5%</td>
</tr>
<tr>
<td>£16 - £20</td>
<td>Decline from 25-30% to 2.0%</td>
</tr>
<tr>
<td>£21 - £25</td>
<td>Decline from 28% to 8.0%</td>
</tr>
<tr>
<td>£26 - £30</td>
<td>Regional variations:</td>
</tr>
</tbody>
</table>

- Great Britain: decline 17% to 14%
- London & S.E.: decline 22% to 7%
- Southern: decline 21% to 9%


<table>
<thead>
<tr>
<th></th>
<th>1966</th>
<th>1970</th>
<th>1972</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern</td>
<td>16%</td>
<td>23%</td>
<td>16%</td>
</tr>
<tr>
<td>Western</td>
<td>15%</td>
<td>24%</td>
<td>18%</td>
</tr>
<tr>
<td>Midland</td>
<td>18%</td>
<td>25%</td>
<td>18%</td>
</tr>
<tr>
<td>North West</td>
<td>13%</td>
<td>23%</td>
<td>19%</td>
</tr>
<tr>
<td>North East</td>
<td>13%</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>Scotland</td>
<td>19%</td>
<td>20%</td>
<td>13%</td>
</tr>
<tr>
<td>N. Ireland</td>
<td>13%</td>
<td>22%</td>
<td>18%</td>
</tr>
<tr>
<td>Weekly Income</td>
<td>Home Ownership Trend 1966-1972 (Cont)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------</td>
<td>-------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£31 - £35</td>
<td>In areas other than London and South-east and Southern, increases average 9% e.g. Midland increase 7.6% to 18.7%. But London and South-east, and Southern show similar characteristics of an increase 1966-1970, and decrease 1970-1972.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£36 - £40</td>
<td>1966  1970  1972</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>London &amp; S.E.  13%  19%  10.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Southern       10%  18%  13.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£41 - £45</td>
<td>Increases average 11%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£46 - £50</td>
<td>Increases average 8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£51 - £55</td>
<td>Increases average 6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£56 - £60</td>
<td>1970 - 1972 increases average 3% (1966 not comparable - cumulative statistics)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over £60</td>
<td>Increase average 3%, excepting Scotland (1.4%) and N. Ireland (0.2%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The changing pattern of income levels of house purchasers is most noticeable from this table:

a) the consistent and often dramatic decline of house purchasers earning less than £25 per week

b) the regional differences in the proportion of house purchasers in the income groups £26 - £30 per week is most marked. In London and the South-east and Southern regions (the areas where income and house prices are highest), there was dramatic decline in the proportion of purchasers earning £26 - £30 per week. All other regions exhibit a changing pattern: 1966 - 1970 an average increase of 9%, 1970 - 1972 an average decline of 7%. This suggests that increasing house prices affected the proportion of purchasers in each income group in the regions before it affected purchasers in London and Southern regions.
e) the differences in pattern between London and Southern, and the remaining regions is of particular interest. From these data, it would appear that escalating house prices in London and Southern region was reducing the proportion of purchasers earning £31-£35 per week by 1970-1972.

d) the patterns of the proportion of house purchasers earning over £40 per week are consistent throughout the regions. These increases illustrate the tendency for home ownership becoming increasingly associated with the higher income groups.

The data show an interesting pattern which is apparent in both 1968 and 1972. It would appear that a higher proportion of lowest and highest income groups in each period buy older properties than new properties. For lower income groups, this may be partly explained by the fact that existing houses at the lower end of the housing market (older properties, often in need of modernisation) are often cheaper than modern houses. The tendency for higher income groups to buy older properties may be because these properties are often more expensive than modern ones offering similar accommodation; the evaluation of properties is a very subjective decision, and it is difficult to assess the value of 'character'.

From these data, it is clear that income is an important variable in house purchase; it is apparent that income level can affect ability to purchase and the type of house achieved. But there is also evidence that income is not the sole determinant in the ownership/tenancy decision.

MONTHLY REPAYMENTS OF HOUSE PURCHASERS

Much of the discussion on 'housing' is dominated by ideas of what is a 'reasonable' proportion of income to spend on housing. There can be no single, externally determined relationship between
housing expenditure and income since families’ tastes and priorities vary greatly. The Family Expenditure survey gives some information on the amount people spend on housing. (No information was included on rates, maintenance costs and travel costs directly related to choice of housing, as comparable data was unavailable).

Data from Housing and Construction Statistics (2) clearly shows how the proportion of income spent on housing expenditure declines as level of income rises. It is apparent that owner occupiers within each income group spend a higher proportion of their income on housing expenditure. In 1970, the average difference between the two tenure groups was 4.7% for household income, and 5.4% of head of household income. If allowance is made for tax relief to the owner occupier, in real terms the owner occupier spends 2.2% more of household income (2.8% of head of household income) on housing expenditure than local authority tenants in the same income group. No allowance was made for the owner occupiers’ deposit. It would however appear that the proportion of income spent on housing expenditure by owner occupiers rose less in 1967-1970, than local authority tenants housing expenditure.

Since 1970, the proportion of income spent on housing expenditure has been rising for both local authority tenants and owner occupiers. Of particular concern to house purchasers in 1973 is the proportion of income spent on housing expenditure by new owner occupiers - both first time purchasers and new borrowers in general. Mortgage repayments as a proportion of income had been rising steadily since 1966. The average rise of 3% in 1973 is a reflection of increased house prices.

The data indicates that the average new borrower in 1973 was spending a considerably higher proportion of their income on housing expenditure than a similar income group in 1970.
First time purchasers spend an even higher proportion of income on mortgage repayments than new borrowers in general. Their situation worsened considerably during 1973 as their net payment as a proportion of income increased compared with all new borrowers. In addition they needed a much larger deposit.

G.A. Hughes in his study on 'Housing and Inflation' has used these statistics to show that in 1973 the average income for those buying their own house for the first time rose markedly faster than the average earnings for both manual and non-manual workers. On average the income of first time purchasers was almost 10% higher than the average earnings of adult male non-manual workers in 1973, compared with approximate equality two years previously. Thus people who could have expected to be able to buy a house in 1969, and even as late as 1972, could no longer do so by the Spring of 1973. Mortgage rates were increased from 9½% to 11% by the end of 1973, which would further limit the families who could afford to buy a house.

From these data it would appear that the average proportion of income spent on mortgage repayments had been rising steadily from 13.1% in 1967 to 15.1% in 1972. A dramatic increase occurred between 1972 and 1973: by mid 1973, new borrowers were spending on average 16.4% of their income on repayment of loan; first time purchasers in 1973 were, on average, allocating 17.3% of their income to mortgage repayments.

Of particular interest is the regional variation in monthly repayments in 1970 and 1972 (1) - in all repayment groups up to £25-£30/month the proportion of house purchasers declined between 1970 and 1972.
- there is a changing pattern between different regions in the repayment groups £30-£35 and £35-£40/month. In London and the South East, Southern and national average there is a dramatic decline in the proportion of purchasers in these groups 1970-1972. In other regions, the pattern has changed to show increasing proportions of purchasers in these groups. This is a reflection of higher house prices in London and the South East and Southern regions.

- in repayment groups over £40/month, the proportion of house purchasers in every region increased 1970-1972. This reflects the upward trend of house prices.

It is also apparent from this table that considerably greater proportion of purchasers in London and the South East and Southern regions are in the higher monthly repayment groups.

**CHARACTERISTICS OF FIRST TIME PURCHASERS (1974)**

The analysis of the statistics published previously by the Nationwide Building Society showed that house purchase was becoming increasingly difficult for the lowest income groups. Escalating house prices of 1972-73 focussed attention on the plight of these potential purchasers; concern centred on the first time purchaser. This trend may prove somewhat unjustified, as it is based on the assumption that potential purchasers of lower priced houses are first time purchasers. As a result, there was a demand for information on the characteristics of first time purchasers. In an attempt to bridge the gap the Nationwide Building Society published a report in 1974, identifying the characteristics of first time purchasers and comparing them with previous owner-occupier mortgagees. (Nationwide Building Society: Occasional Bulletin, 124) Of the 10,000 mortgagees, nearly half were first time purchasers.
AGE OF HOUSE PURCHASERS - (NATIONWIDE SURVEY 1972, 1974).

From these data it would appear that, during this period, the Society granted mortgages to slightly older people. This tendency is most marked in the two younger age groups. It is appropriate to notice the dramatic decline in the proportion of mortgages granted in 1972 and 1974 to first time purchasers in the 18-25 age group. A further indication of the effect of rising prices may be evident in the shifting balance of mortgages granted to previous owner occupiers in the 31-40 years, and 41-50 years age groups: the slight decline in the younger age group is compensated by a slight increase in the older group. This may suggest that the younger group of owner occupiers were not moving house as rapidly as they had in previous years. This effectively will slow down movement in the housing market; if prolonged, it would lead to a shortage of properties in a certain price range, creating an unprecedented pressure for housing in the cheaper range of properties.

SOCIO-ECONOMIC GROUPS - (NATIONWIDE SURVEY 1972, 1974).

It would appear that managerial and professional workers obtained a disproportionate share of mortgage allocations, whereas skilled, semi-skilled and unskilled manual workers were severely disadvantaged. There is however slight evidence that of first-time purchasers, intermediate and junior non-manual workers, and skilled and semi-skilled manual workers were slightly advantaged in mortgage allocation than previous owner-occupiers. This may be because of the recent introduction of 100% mortgage on certain types of properties, which is attractive to these groups of people.
SIZE OF DEPOSIT (NATIONWIDE SURVEY, 1972, 1974).

These data dramatically show the difference in size of deposit supplied by first time purchasers (average 1974 £2,323) compared with previous owner-occupiers (average 1974 £6,001). In 1974, 62.5% of first-time purchasers supplied less than £1,000, compared with 10.9% of previous owner-occupiers. This is perhaps a reflection of two trends:

a) first time purchasers were buying cheaper properties, therefore needed proportionately less deposit

b) previous owner-occupiers benefited from financial gain accrued from investment in their previous home.

Of particular concern is the dramatic decline, 1972-1974, in the percentage of purchasers supplying less than £600 deposit: there is evidence of a compensatory shift in the percentage of purchasers supplying £600-£1,000 deposit. These trends noticeably affect the first-time purchaser: it would appear that by 1974 first-time purchasers would need to supply almost double the amount of the deposit of first-time purchasers in 1972.

AMOUNT OF MORTGAGE (NATIONWIDE SURVEY 1972, 1974)

These data reflect the tendency for higher proportions of mortgages being in excess of £6,000. The dramatic decline in the percentage of first-time purchasers receiving a mortgage of less than £5,000, 1972 to 1974, is a reflection of increasing house prices during this period.

MONTHLY REPAYMENTS (NATIONWIDE SURVEY 1972, 1974)

These data reflect the tendency for increasing proportions of first-time purchasers to be committed to mortgage repayments in excess of £60/month. Repayments in excess of £100/month are not uncommon: does this represent an undue strain on the resources of house purchasers, especially first-time purchasers? In 1974,
Nationwide published data which gives some insight into the proportion of income spent on mortgage repayments.

MORTGAGE PAYMENTS AND HOUSEHOLD INCOME (NATIONWIDE SURVEY 1972, 1974)

From these data, first-time purchasers ineligible for the Option Mortgage Scheme, were on average spending 24.3% of their household income on mortgage repayments. Tax relief would reduce this to approximately 21%. This is considerably more than the 1972 average of 15.1%, or the 1973 average of 17.3%. It would appear that escalating house prices of 1972-1973 forced owner occupiers to spend an even greater proportion of their income on mortgage repayments. First-time purchasers with an option mortgage represented 17.5% of all first-time buyers. Their average repayment represented 19.5% of their household income.

TYPE OF PROPERTY PURCHASED BY FIRST-TIME BUYERS (NATIONWIDE SURVEY 1974)

Price distribution of Dwellings

The changes in distribution of price of dwellings is a reflection of increasing house prices 1972-1974: a particularly dramatic drop is apparent in the percentages of dwellings purchased for under £5,000: an equally dramatic increase in the percentage of properties over £10,000.

Type of dwelling

Only slight changes in type of purchasers is evident 1972-1974. It would appear that there was an increasing tendency for first-time purchasers to buy a flat or maisonette in 1974: there is a noticeable decline in the proportion of bungalows purchased by this group.

Age of Dwelling

There was a noticeable decline in 1974 of the proportion of purchasers who bought new properties.
Size of Dwellings

These data reflect the tendency for a greater proportion of purchases to be made for smaller properties. This trend is particularly noticeable for first-time purchasers.

From this brief review of the characteristics of house purchasers in 1970 to 1974, it is clear that many people who might have afforded to buy a house in 1972 would be unable to do so by 1973. This is despite house purchasers supplying much larger deposits, monthly repayments on mortgage likely to exceed £30/month, and the average proportion of income spent on mortgage repayments increasing from 13.1% in 1967 to 21% in 1974. The effect of these trends has been for people with high, steady incomes to become increasingly advantaged in the house purchase market.
REFERENCES

CHAPTER 2.11 CHARACTERISTICS OF HOUSE PURCHASERS

(1) (NATIONWIDE BUILDING SOCIETY REGIONAL SURVEY)
    ANNUAL SURVEYS OF HOUSE PRICES AND MORTGAGEES.

(2) (HOUSING STATISTICS NO 12
    HOUSING AND CONSTRUCTION STATISTICS NO. 2)
2.111 HOUSE PRICES

The period 1971 to 1973 saw an unprecedented rise in house prices. All types of properties were affected. As prices began to rise, the market became very competitive. Panic buying pervaded the housing market. House price rises were the subject of much debate at both the national and the local level (1).

The trends in house prices, land prices and construction costs were reported in Housing Statistics; Fig. 2.111(i) illustrates these trends. G.A. Hughes in his study on Housing and Inflation, Housing Research Foundation, 1971 comments on these data:

"Apart from 1972-73, house price and costs rose so that the relationship remained unaltered. The figures for 1971-73 demonstrate special factors operating in these years. The plentiful availability of mortgage funds lead to sharp rises in the price of old houses. The combination of high demand in the building industry, together with inflation resulted in a rapid rise in underlying costs of construction." Hughes comments that inflation affects the housing market in two ways:

- the higher rate of interest on long term will substantially increase the initial burden on housing payments
- the more rapid the rate of inflation, the more rapidly the real burden of house purchase payments fall - since these, in money terms, are fixed - while incomes in the long term will rise as fast as prices. The effect is that a disproportionate share of the burden falls on young people. It may restrict some from buying their own houses; it may also force them to spend more on housing in the early part of their lives.
The trends in house prices, analysed by the Nationwide Building Society were interpreted to illustrate some specific aspects of the housing market 1963-1973.

Fig. 2.111(ii) illustrates the increase in average house prices for existing, modern houses during the period 1963-73.

Fig. 2.111(iii) clearly shows the phenomenal increase in the rate of change in prices: an average of 3.5% was recorded 1963-1970. By December 1972, the rate of change was averaging at 25%; by December 1973 the rate of change had dropped back to its average recorded in 1963-70 of 3.5%. During 1971-73 period the average price of existing houses of modern design in Britain had increased by 100%.

Fig. 2.111(iv) illustrates wide regional variation of the percentage increase in the average price of existing modern houses 1963-1973. It is clear that western and southern regions experienced the most dramatic rate of increase 1968-1973.

In each sector of the market, the average prices in London and the South-east, and the southern region are seen to be at least 20% greater than the average U.K. prices, or the next regional average.

Fig. 2.111(v) analyses the percentage increase in average prices by type of house in the U.K. and London and the South-east region in 1966-1970 and 1970-1972. These data may be summarised as:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Flats &amp; Maisonettes</td>
<td>29.79</td>
<td>26.10</td>
</tr>
<tr>
<td>Terraced Houses</td>
<td>11.34</td>
<td>49.10</td>
</tr>
<tr>
<td>Semi-Detached Houses</td>
<td>13.18</td>
<td>67.40</td>
</tr>
<tr>
<td>Semi-detached Bungalows</td>
<td>16.9</td>
<td>66.15</td>
</tr>
<tr>
<td>Detached houses</td>
<td>14.69</td>
<td>48.19</td>
</tr>
<tr>
<td>Detached Bungalows</td>
<td>19.2</td>
<td>41.18</td>
</tr>
</tbody>
</table>
Most noticeably, London and the South-east region was experiencing far greater percentage price increases than the U.K. average. The exception in the price of flats and maisonettes may probably be explained by there being a relatively greater proportion of flats in this region than in other areas of Britain; the increased average price of flats in the U.K. may reflect an increase in demand for this type of property during this period. It would appear that semi-detached properties suffered the greatest proportional increase in price in London and the South-east. This is a reflection of demand in that segment of the market.

In quantifying the rate of increase in average prices in London and the South-east, Table 2.111(vi) presents a 'league' table of relative prices of different types of house. It is not surprising that detached bungalows showed the greatest increase in actual price as there are relatively fewer bungalows than houses.

Fig. 2.111(vii) summarises the effect of price rise on the housing market in the Guildford area. Properties in the lower price ranges advertised in The Surrey Advertiser were analysed at fortnightly intervals, October 1967 - March 1968 and October 1972 - March 1973. Two areas were selected:
- properties in Guildford
- properties in the Guildford area. The boundaries of this area were set according to the area that respondents to the study said they would consider. Consequently the area includes Farnham, Ash, Aldershot, Woking, Dorking, Cranleigh but excludes areas such as Addlestone, Chertsey, Staines, Sunbury, Reigate, Leatherhead, Horsham, Liphook, Petersfield, Camberley and Basingstoke. Only properties at the lower end of the market were recorded, as it was assumed that it was this sector of the market that was particularly appropriate to first time purchasers.
The most striking evidence of the dramatic increase in house prices which had occurred between these periods is the total lack of properties under £8,000 by the period October 1972 - March 1973, whilst the range of prices investigated in October 1967 - March 1968 was £3-6,000. The figures indicate seasonal trends, with a noticeable slump in the market over the Christmas/New Year period. A further indication of rising prices is the decline in the number of properties in each price range during the six monthly period. This is particularly true of October 1972 - March 1973. Some of this tendency may be attributed to seasonal variation of the housing market, but in view of evidence presented on trends in house prices, it is very doubtful whether this was a significant factor in the availability of properties in the lower price ranges.

The effect of these changes has important consequences in the housing market. Intense pressure developed, which particularly affected properties at the lower end of the market. Both first time purchasers and owner occupier-movers who could no longer afford a more expensive style of house were competing for lower priced properties. The phenomenon of 'gazumping' became common place. Many people were frustrated in their search. For many people, home ownership became an impossibility, for incomes had not increased proportionately.

G.A. Hughes has summarised the relationship between house prices and personal incomes:

"For 1963-1972, the average ratio of a typical new private house price to average male income was 3.25 for manual workers and 2.55 for non-manual. In 1973, these ratios jumped to 3.88 and 3.30 respectively, but the position was even worse than this because of the increase in interest rates on mortgage repayments".

* Intense competition for housing often caused vendors to accept a higher offer for a property, after a sale had been agreed.
Hughes also comments on the proportion of income spent on housing: "In 1966-67, the proportion of income of new borrowers for house purchase averaged at 12.0%; but by 1973, on average their net payment was 17.3% of income".

Hughes comments particularly on the plight of first time purchasers who spend an even greater proportion of income on house purchase. Increased interest rates and amount of deposit required (from 50% average income in 1968, to 66% in 1973) have created a critical situation for first time purchasers. Hughes analyses data from the Family Expenditure Survey 1973, to show that the average income of first time purchasers in 1972 was 10% greater than the average non-manual male income, compared with parity in previous years. Thus many people who could have expected to buy their own home in 1970, could no longer do so by 1973.

It is clear from the foregoing analysis, that the phenomenal rise in house prices in 1972/1973, had far-reaching repercussions. The properties that were most affected were lower priced properties in London and the South-east, and Southern regions. Consequently, first time purchasers in these areas were severely disadvantaged.
FIG. 2 III (1) HOUSE BUILDING COSTS AND PRICES 1963-71

Source: Nationwide Building Society
Price Changes - Existing Houses, Modern Design.
FIG. 2 III (III) RATE OF CHANGE IN HOUSE PRICES 1963-1973

Source: Data from Nationwide Building Society.
Price Changes Existing Houses Modern Design.
FIG. 2 III (IV) REGIONAL INDICES OF HOUSE PRICES: % INCREASE IN PRECEDING 5 YEARS 1963, 1968, 1973

Source: Personal calculation from data originally published by Nationwide Building Society.

Source: Nationwide Building Society.
FIG. 2 III (VI) AVERAGE PRICES OF DIFFERENT TYPES OF NEW PROPERTIES IN LONDON AND S.E. ENGLAND 1966, 1970, 1972

Source: Nationwide Building Society Annual Survey of House Prices.
<table>
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<tr>
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<tr>
<td></td>
<td>&lt;£3000</td>
<td>£3-4000</td>
<td>£4-5000</td>
</tr>
<tr>
<td>Oct 67</td>
<td>1</td>
<td>24</td>
<td>70</td>
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<td>Oct 72</td>
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<td>24</td>
<td>62</td>
</tr>
<tr>
<td>Nov 67</td>
<td>2</td>
<td>20</td>
<td>66</td>
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<td>Nov 72</td>
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<td>8</td>
<td>61</td>
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<td>Dec 67</td>
<td>2</td>
<td>12</td>
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<td>Dec 72</td>
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<tr>
<td>Jan 68</td>
<td>2</td>
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<td>42</td>
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<td>Jan 73</td>
<td></td>
<td>18</td>
<td>38</td>
</tr>
<tr>
<td>Feb 68</td>
<td>1</td>
<td>17</td>
<td>31</td>
</tr>
<tr>
<td>Feb 73</td>
<td>2</td>
<td>30</td>
<td>41</td>
</tr>
<tr>
<td>March 68</td>
<td>2</td>
<td>12</td>
<td>29</td>
</tr>
<tr>
<td>March 73</td>
<td>2</td>
<td>5</td>
<td>28</td>
</tr>
</tbody>
</table>

**Source:** Personal calculation from 'Surrey Advertiser'
CHAPTER 2.3 I: HOUSE PRICES.

(I) (The Times; 1972 - Oct. 14th, Nov. 2nd, 8th, Dec 14th.
    1973 - Jan. 15th, 23rd, Feb. 9th, March 15th.)

(Surrey Advertiser

1971 - Jan 1st, 29th, Feb 5th, July 27th,
    Nov 19th, Dec 10th, 31st.

1972 - Feb 18th, March 4th, June 5th, August 4th,
    Oct 27th, Nov 21st.

1973 - Jan 12th, Feb 23rd, March 14th, May 4th.
3.1. HOUSING IN SURREY

As a County, Surrey has many outstanding natural features which make it a very attractive area. Its proximity to London, the South Coast and the Continent, together with planning policies which have sheltered the countryside from urban sprawl, are undoubtedly aspects which have made Surrey an increasingly desirable housing area. The effect of the 'Green Belt' legislation on the development of industrialisation and house building in Surrey cannot be underestimated.

In 1955, a Government circular encouraged local authorities to establish green belts where they thought it desirable to:

a) check further growth of urban area
b) prevent neighbouring towns joining together
c) preserve the special character of a town

Since the issue of this circular, proposals for extensions have been put forward by all the Home Counties. In Surrey, the Green Belt was approved in 1958, but it was based on a 1950 survey; it broadly followed the proposals set out in the Greater London Plan.

The mid 1950s were a time of increasing prosperity and low unemployment. Three unanticipated trends changed the demographic structure and character of the South east during this period:

- a large increase in the birth rate led to increased forecasts of population in the area
- the South east region was the fastest growing region and received the largest number of immigrants
- the growth of the service sector of the economy resulted in a large increase in office employment in London. The Greater London Plan had anticipated a stabilisation or decline in employment in London.

The cumulative effect of these trends were to have repercussions which influenced policies for the South-east. The South East Study, published in 1964 (1), admitted that post war policies had not been entirely satisfactory. The study anticipated a large population increase, but proposed that growth should be concentrated in selected locations large enough to attract growth from London, for example Portsmouth, Ashford and Peterborough.

In 1967, the South East Economic Planning Council published its first report 'A strategy for the South East' (2). There was considerable overlap between this report and the South East Study. Both recommended growth areas away from London, but the Strategy suggested growth areas along the radial transport routes to the growth areas identified in the South East Study.

It was soon realised that neither of these studies took a long-term view of regional development, and both approached the problem from different stand-points. As a consequence, the South East Joint Planning Team was set up in 1969 to make a long term plan acceptable to all. The committee were to take particular heed to several newly identified trends:

- population trends had changed since the South East Study of 1964. The natural population increase was falling, and net emigration was reported for the first time
- in London, demand for labour remained high, but supply was falling rapidly
- population pressures on the outer metropolitan area were strong.

Land available and allocated in current development plans was
rapidly being used up.

The committee had three main objectives:-

- the need to match population and employment growth. To encourage mobile industries to move from London, for if this were not achieved, long distance commuting to London would increase.
- to plan new growth in large concentrations of population and employment, which offers the widest social benefits.
- to make best use of the countryside by protecting substantial areas from urban intrusion.

The committee reported in 1971 and recommended a selected number of growth areas along the main radial routes from London. Surrey Town and Country Planning Committee welcomed the committee's proposals of major growth areas, as being indicative of their support for the Green Belt policy. At this time Surrey County Council had submitted proposals for extension to the Green Belt in Surrey for government approval. They did not welcome the committee's suggestion that local authorities should look critically at the boundaries to the approved Green Belt.

The specific references to development in Surrey in the Strategic Plan for the South east are:-

**Planning Area 5 - East Surrey**  Growth to remain constrained by the Green Belt as this area separates London from Horley/Gatwick/Crawley area.

**Planning Area 7 - Staines/Guildford**  Growth in this area will continue till 1981, but should be greatly reduced after this date, in order to:
- reduce pressures, particularly for employment in the area nearest London
- need for local development, without detriment to historic towns of Guildford, Farnham, Godalming
- need to maintain clear break between development in the area and growth area to the west (Reading/Wokingham)
- adjoining growth areas to accommodate substantial employment growth from this area
- minimise the effects of noise from London airport

From these recommendations, it appears that future growth in Surrey is to be limited to the western area, but it should be considerably less than the county experienced in the 1960s. The importance of the Green Belt was re-affirmed.

Initially the Green Belt policy was strongly contested by developers; many appeals and local inquiries held. But its rigorous application was eventually accepted. The social effects of the Green Belt legislation are little known. But undoubtedly the policies have exaggerated Surrey's social status and made the County an increasingly desirable place to live (4).

The South eastern area has experienced a rapidly increasing population since the turn of the 19th century. Table 3.1 shows the dramatic rise in both total and percentage populations 1801-1951:

<table>
<thead>
<tr>
<th>Year</th>
<th>S.E. Region</th>
<th>S.E. Population as % E &amp; W</th>
<th>% Change S.E.</th>
<th>% Change E &amp; W</th>
</tr>
</thead>
<tbody>
<tr>
<td>1801</td>
<td>2,499,000</td>
<td>26.1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1851</td>
<td>5,102,000</td>
<td>28.5</td>
<td>104.2</td>
<td>100.58</td>
</tr>
<tr>
<td>1901</td>
<td>10,525,000</td>
<td>32.4</td>
<td>106.3</td>
<td>71.51</td>
</tr>
<tr>
<td>1951</td>
<td>15,129,000</td>
<td>34.6</td>
<td>45.7</td>
<td>30.11</td>
</tr>
</tbody>
</table>

Source: General Register Office

Table 3.1 Total and Percentage Population Change 1801-1951

Only the South eastern region has experienced such consistent growth over this period. As a consequence, the percentage share of total population has steadily increased. Since 1951, the total
population has continued to increase, but the rate of growth has stabilised:

<table>
<thead>
<tr>
<th>Year</th>
<th>S.E. Region</th>
<th>S.E. as % E &amp; W</th>
<th>Annual Change in % in S.E.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>15,129,000</td>
<td>34.73</td>
<td>+0.07</td>
</tr>
<tr>
<td>1961</td>
<td>16,345,5000</td>
<td>35.38</td>
<td>+0.01</td>
</tr>
<tr>
<td>1966</td>
<td>17,006,300</td>
<td>35.44</td>
<td>+0.01</td>
</tr>
<tr>
<td>1967</td>
<td>17,112,400</td>
<td>35.45</td>
<td>+0.01</td>
</tr>
<tr>
<td>1968</td>
<td>17,229,600</td>
<td>35.46</td>
<td>+0.01</td>
</tr>
</tbody>
</table>

Table 3.11 Total and Percentage Population 1951-1968.

It is clear that important changes in population trends have occurred since the early 1960s; the percentage population in the South east appears to be stabilising at approximately 35%. But because of the large base, the actual population continues to increase and still exceeds any other region. It seems likely that without the intervention of restrictive policies on development in the South east, growth in the region would have continued at a higher rate. It would be rash to assume that the rate of population growth would continue to fall if controlling policies were relaxed.
The Review of Surrey Development Plan, 1965 (5) analyses demographic changes within the county. The 'Inner County Ring' which includes Guildford, Dorking, Bagshot and Woking, had the greatest percentage change in population in Surrey 1951-1961.

<table>
<thead>
<tr>
<th></th>
<th>1951 % total</th>
<th>1961 % total</th>
<th>% change 1951-1961</th>
<th>Est. % change 1961-1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner Urban</td>
<td>12.3</td>
<td>10.8</td>
<td>-3.6</td>
<td>4.4</td>
</tr>
<tr>
<td>Suburban</td>
<td>28.0</td>
<td>24.4</td>
<td>-4.6</td>
<td>13.3</td>
</tr>
<tr>
<td>Suburban Fringe</td>
<td>25.6</td>
<td>26.5</td>
<td>12.8</td>
<td>26.0</td>
</tr>
<tr>
<td>Inner Country</td>
<td>28.0</td>
<td>32.2</td>
<td>25.6</td>
<td>26.1</td>
</tr>
<tr>
<td>Outer Country</td>
<td>6.1</td>
<td>6.7</td>
<td>9.4</td>
<td>33.3</td>
</tr>
</tbody>
</table>

Source: Surrey Development Plan 1965

Table 3.11I Population Change in Surrey (By Rings)

It is clear that the County Council planners anticipate future growth to continue in the inner country area, and to spread to the outer country area. In effect, this will create the greatest pressure on land, housing and services in the inner country area, as this area has the highest population and stringent 'Green Belt' policy regulations prevent much new development.

Fig 3.1 shows the increases in the local population 1961-1971: it has been estimated that Guildford Borough population will increase by 20,000 persons 1961-1981 (6). Table 3.1IV shows the actual and anticipated percentage change in population in the borough 1951-1981. It is perhaps fortunate that the 1971 Census figures do not indicate such a dramatic increase as was predicted in the early 1960s.
In a recent review of local housing conditions, the Guildford planning authorities recognised that to satisfy current housing demand would conflict with local planning policies (7). The Council admit to their inability to satisfy demand for local authority housing. The building rate of new council houses has averaged only 133 a year, 1964-1974; it is estimated at least 200 new properties a year would be needed to house the current rate of applications. This does not allow for any increased demand due to a reduction in the waiting list, which may be a deterrent to many people applying. The current waiting list, December 31st 1974, was 2705 applicants. It is interesting to note the distribution of applications for different types of property. In the period 1st April to 31st December 1974 there were 675 new applicants. Of these 16 applications were for 4 bedroomed properties, 116 for 3 bedroomed properties, 326 for 2 bedroomed properties, 326 for 1 bedroomed properties and 82 for pensioners properties.

The age distribution of the applicants on the active waiting list was as follows:
Under 20 years 180  
20 - 25 years 552  
25 - 35 years 592  
35 - 45 years 282  
45 - 55 years 106  
55 - 65 years 426  
Over 65 years 347  

The statistics show that the larger number of applications for 1-bedroomed properties were single persons and couples no longer able to find privately rented accommodation, and unable to buy a property.

Since the early 1950s, the proportion of owner occupied dwellings has increased in both Guildford Borough and the Rural Area.

<table>
<thead>
<tr>
<th>Owner Occupied %</th>
<th>Local Authority %</th>
<th>Private %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Occupied %</td>
<td>Local Authority %</td>
<td>Private %</td>
</tr>
<tr>
<td>Town</td>
<td>Rural</td>
<td>Town</td>
</tr>
<tr>
<td>1961</td>
<td>44.9</td>
<td>57</td>
</tr>
<tr>
<td>1971</td>
<td>51.6</td>
<td>63</td>
</tr>
</tbody>
</table>

The area is now well above the national average of 50% owner/occupation. The Local Authority commitment has remained relatively steady at 25%, but this is significantly lower than the national average of 33%. The privately rented sector has suffered the most dramatic changes. These changes are creating particular housing problems in the area; the expansion of the University, and the establishment of the County Hospital and Civic Buildings in Guildford will create even greater demand for privately rented accommodation.
Fig. 3.11 shows the changes in proportion of new houses completed in the Guildford area, 1951-1971. The trend for a greater proportion of new houses to be built in the private sector is clearly apparent. Only in recent years has local authority commitment increased slightly, after a period of apparent 'laissez-faire' in the 1960s. The demolition rate in the Guildford area averages only 30-40 properties per year, and consequently has little effect on the tenure pattern.

Asher and Lyn Tropp (8) identify three 'types' of settlement in Surrey:
- Villages: with outliers of isolated farmhouses and country houses
- Small and Medium Sized Towns: populations between ten thousand and eighty thousand
- Built-up belt: on borders of Greater London. This area must socially be regarded as an extension of the London commuter ring. The area of particular relevance to this study are the villages and small/medium towns.

The authors outline the changing social structure of Surrey and suggest that the image of Surrey as 'a county of stockbrokers' (9) is a myth. In analysing patterns of commuting, the authors suggest that many commuters are office staff and lower paid white collar workers. They quote the percentage of commuters from town maps published by Surrey County Council:

<table>
<thead>
<tr>
<th>Town</th>
<th>% employed residents working in Greater London 1966</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farnham</td>
<td>6.5</td>
</tr>
<tr>
<td>Dorking</td>
<td>15.0</td>
</tr>
<tr>
<td>Godalming</td>
<td>9.0</td>
</tr>
<tr>
<td>Guildford</td>
<td>5.0</td>
</tr>
</tbody>
</table>
The Guildford town map does however point to an increasing tendency for economically active residents of the borough to be employed in the other parts of Surrey: 1951 - 15%; 1966 - 19%. However, the outstanding proportion of Guildford's economically active residents are employed locally (74%).

In analysing the social structure of housing in Surrey, Asher and Lyn Tropp adopt Pahl's (10) eight point categorisation, but identify an additional group as gypsies:-
- large property owners
- salaried immigrants with some capital
- spiralists
- those with little income and little capital
- council house tenants
- tied cottagers and other tenants
- local tradesmen and owners of small businesses.

Both Tropp (8) and Connell (3) point to a poignant 'social divide' in the Surrey population. Tropp identifies the dichotomy in the villages as between 'villagers' and 'newcomers'. In the towns the social distinction is more clearly related to housing: 'those who can afford to own a house'; council tenants; the 'rest'. The respondents in this study could be classified as "potential home owners" or "the rest".

The consequences of an increasing population, yet no accelerated development, and a rapid increase in house prices in the area, are far-reaching:-
- There is evidence of people moving away from the area. The planning authorities recorded a 46% fall within the 20 - 25 and 25 - 35 year age groups of housing applicants. The general trend shown in migration statistics for Guildford shows an increase in middle aged white collar workers in professional and managerial jobs coming into Guildford, and a marked increase in young
families in skilled, semi-skilled and unskilled workers leaving Guildford.

There have been many reports in local newspapers of employers finding difficulty in recruiting staff: this has been particularly noted in teaching, nursing and the police service (11).

- In 1974, there was an increasing awareness of the plight of the homeless in Surrey (12, 13).

If these trends continue, there is little doubt that repercussions will be evident in the changing social and economic structure of the county. Perhaps an appropriate comment was made by Donald Flack, in his address to the West Surrey Association of Estate Agents in 1973 (14):-

"Surrey is fast becoming a county for the wealthy and the elderly".

It is clear that decisive long-term planning policies are needed. National and Local Government must measure the 'sacrifice' of many potential inhabitants against the 'privilege' of Surrey residents.
Fig. 3(1)

POPULATION IN GUILDFORD AREA 1961 - 1972.

- - - - - Guildford Rural District

- - - - - Guildford Borough

Source: Total Census Population.
NEW HOUSES COMPLETED IN THE GUILDFORD AREA
1951-1971 BY SECTOR

- Guildford Borough Local Authority
- Guildford Rural Local Authority
- Guildford Borough Private
- Guildford Rural Private

Source: Guildford Borough Council, Housing Dept. Statistics
REFERENCES.

CHAPTER 3.1 : HOUSING IN SURREY.


(9) (The Economist. August 28th 1965.)


(11) (Surrey Advertiser. 1973, 1974.)
(12) Surrey County Council

(13) Surrey Community Development Trust

(14) (Surrey Advertiser January 10th 1973).
3.11  THE HOUSE PURCHASE PROCESS.
FIG. 3 (III)  

THE "HOUSE PURCHASE" PROCESS

Source: Delia Clarke, Housing Research Unit, University of Surrey.
3.11. The House Purchase Process

The process outlined in Fig. 3.11 is symbolic of general procedure in England and Wales. A group of 55 solicitors, estate agents, building society managers and surveyors were asked to suggest modifications; no-one offered alternatives. However, it cannot be regarded as a totally definitive diagram, as there are numerous instances where negotiations are dealt with simultaneously, or in a slightly altered order. For simplicity, these alternatives and the option of 'failure to complete negotiations' have been omitted. With these exceptions, the diagram is believed to be/accurate illustration of the process of house purchase in England and Wales.

The diagram illustrates the complexity of transacting in the process of house purchase, and the involvement of each of the role figures. As the process develops from 'search', to 'evaluation', to 'negotiation' stage, a more complex pattern of transactions occur. The vendor and purchaser who initiated the process may be seen to be dependent on professional advisers. The advertising agency may have only an incidental role in the latter stages of negotiation. There is no recognised system of direct contact between vendor and purchaser once proceedings for purchase are initiated. Communication between the interested parties is a chain event, necessitating the involvement of three, and possibly as many as seven people. A lack of identification, understanding or acceptance of this rigid system may lead to unnecessary confusion and often conflict between the interested parties.

It is within this complex network of negotiations that purchasers are required to make decisions. This research has shown that in the panic situation that pervaded the housing market in south west Surrey in 1972/1973, purchasers were making instantaneous decisions. As part of this study, an assessment of first-time
purchasers knowledge of the house purchase process was attempted.
It is suggested that the respondents were often ill-informed and
found the house purchase process confusing. Their use of information
sources was fragmentary: the most usual informants were family,
friends, or estate agents. (15).

As a preliminary to the main research topic, it was considered
diplomatic to interview local estate agents. During the course
of these discussions, it became increasingly apparent that the
estate agent may be a powerful influence and a crucial figure in
the house purchase process.

ROLE OF THE ESTATE AGENT.
The main role of an estate agent is:-

a) Agent for the Vendor   His purpose is to value and advertise
vendor's property and introduce potential purchasers. He will
initiate sale proceedings, once a purchaser has made an offer
on the property. After this stage his role becomes subsidiary -
he may act as a 'clearing house' for communications between
purchaser, vendor and their solicitors.

b) Informant/Adviser to purchaser The estate agent will suggest
properties for the prospective purchaser to view. In this way
he may be assisting the applicant to identify the type of house
that would be most suitable. This may be a very powerful influence,
especially for the first time purchaser. The agents whom I
interviewed were divided in their opinions as to their role of
adviser for the purchaser. Few agents considered it their task
to help the purchaser recognise his needs, but some agents
commented that it was probable that a satisfied purchaser would
become a client when he needed to sell. Most agents were agreed
that they provided a limited advisory service to the purchaser.
in discussing financial and legal arrangements to ensure a speedy completion. To this end, many agents have arrangements with mortgage brokers, building societies, insurance brokers, surveyors and solicitors.

The role of the estate agent can be seen in Fig. 3.111, which outlines the main transactions in the process of house purchase. It is clear that his main transactions are with the vendor, and his solicitor. His purpose is to initiate the procedure - latterly he becomes a subsidiary figure.

**PROFESSIONALISM OF ESTATE AGENTS**

The business of estate agency in Britain is 'quasi-professional'. No qualifications are needed to become an 'estate agent' and there is no registration system for bona fide agents. The lack of such constraints has provided the opportunity for the unqualified to become 'self-made' men. They gain some of the respect usually reserved for 'professionals' - a white collar job, and good working conditions that are essential to attract trade.

There are numerous places in an estate agents job where it is possible for the unscrupulous to be underhand: some disreputable agents have led to the profession being stigmatised.

Estate Agents provide a service; a service which is not indispensable. It is limited in extent, for the unqualified agent is unable to deal with surveying or auctioneering. Estate agency is very subject to the market fluctuating and abortive work. For these reasons it may be considered an 'insecure' profession.

As the complexity of agent's work has grown, most firms find it essential to employ a recognised 'professional' as one of the
principal negotiators. This tends to give stability and professional recognition to the firm.

Most frequently, estate agencies are established as a sideline to surveyors, valuers and auctioneers, which provides a positive way of advertising the less decorative aspects of their work.

There are nine national societies to which many agents belong; frequently, one agent may be a member of several groups:

- The Royal Institute of Chartered Surveyors
- The Chartered Land Agents Society
- The Chartered Auctioneers and Estate Agents Institute
- The Incorporated Society of Auctioneers and Landed Property Agents
- The Incorporated Association of Architects and Surveyors
- The Rating and Valuation Association
- The Valuers Institute
- The Faculty of Architects and Surveyors
- The National Association of Estate Agents

Each Society has its own examination or qualification conditions, and each have a recognised code of ethics for their members, which covers details such as unprofessional behaviour, supplanting and advertising. Most noticeably, the National Association of Estate Agents has no rules preventing or restricting canvassing or advertising.

In many areas, local associations of estate agents have been established. There are variations in qualifications for membership - most usual are length of time in local practice and adherence to a professional code of contract. Frequently there are additional conditions applicable in certain areas. Local associations usually cover one town; unusually, as in the case of West Surrey, they cover an extensive area.
There have been several attempts to introduce legislation to make registration of estate agencies statutory. In 1966, the proposed Bill lapsed because of the dissolution of parliament, but the various bodies representing Estate Agents decided by non-statutory means to implement the main objects of the Bill, i.e. to establish an Estate Agents Council 'to secure adequate standards of competence and conduct among persons carrying on business as Estate Agents'.

In 1967, a non-statutory Estate Agents Council was set up, and voluntary registration began. This marked the beginnings of a 'national identity'. An attempt to legalise the Council in 1968 failed due to insufficient support. There have been no subsequent attempts, as the Monopolies Commission suggested that statutory control would lead to restraint on entry into Estate Agency which would reinforce the tendency for standardising fees. This, they suggest, operates against public interest.

Several agents whom I interviewed indicated their desire to be considered 'professional'. Many of them commented that recent legislation as a result of the Monopolies Commission Report of 1969 had done nothing to improve their 'image'. Until this time, agents were bound to charge scale fees, in a similar way to solicitors. This, they felt, gave them professional identity. An indication of their perceived role as a 'professional' is apparent in the evidence given by the committee of estate agents to the Monopolies Commission. They were asked to justify the profits in estate agency. The Monopolies Commission estimated that the average profit per principal agent was £2,894 in 1965. The Committee agreed that, despite their yearly fluctuations, this figure was fairly representative. The Committee recognised there was no objective standard with which to compare this figure, but they drew attention to the average
remuneration published by the Prices and Incomes Board of £4,870 for solicitors, £4,102 for architects and £3,300 for dentists. The Monopolies Commission were unimpressed by their comparisons, but accepted that they had no evidence to suggest estate agents' profits were excessive. The Monopolies Commission recommended that the practice of charging fees in accordance with a scale laid down by a national society should be discontinued.

**ESTATE AGENT FEES.**

Since 1970, agents have had the freedom to fix their own charges - the advantage being to the vendor who has the opportunity to shop around for competitive charges. In the event, it seems that many agencies have adhered to the old scale fees, or introduced a similar percentaged-based scheme on the selling price of the property. This system has been adopted because of the difficulty in assessing the time and effort expended in selling a property. Whilst it may be administratively simple, it does not ensure that the consumer is getting 'value for money'.

Estate Agency is a competitive business. If a client instructs more than one agent, there is certainly abortive work. The more agents that are involved the more likelihood there is of this happening. Some agents will therefore request that they have the 'sole agency' of a property, at least for a month. Some agents will collaborate with another agent and agree to split the commission (joint agencies) - other agents suggest they prefer multiple agencies which makes them work harder to ensure that they sell the house. These practices may lead to unscrupulous dealings, especially when the market is very buoyant, or is very slack. Some problems arise when two agents may give very different valuations of the same property, which may result in the property being advertised at two
different prices. Similarly, it is often difficult to say which 'agent' introduced the potential buyer, when he may have received details of the property from two or more agents. The system is open to much abuse, some of which is undoubtedly caused by the indefinite structure of the preliminary stages in the house purchase process.

A purchaser may pay a deposit to the Agent when he makes an offer on a property - this is only a symbol of good faith and is not binding. The agent cannot afford to withdraw the property from the market, as the purchaser is able to 'change his mind' and withdraw his offer without any financial loss. The transaction is only legally binding when contracts have been signed. Neither does the 'offer subject to contract' safeguard the buyer: the agents are still working to attract the best selling price, and this has led to many cases of 'gasumping'.

AGENCIES IN ENGLAND AND WALES

Number of Agencies

There is no reliable estimate of the number of estate agencies in Britain, as there is no statutory registration council. In addition there are certain difficulties in defining an 'estate agency', as most frequently their business is integrated with the work of auctioneers, valuers and surveyors, and covers many aspects of land development, commercial enterprise and domestic agencies. The Monopolies Commission in 1969 estimated that there were 7,000 firms operating an estate agents from 10,000 offices.

The distribution of estate agencies throughout Britain is uneven. There is a marked concentration in Southern England. The Monopolies Commission of 1958 (16) evidences this trend by totalling the number of firms advertising in selected towns in several regions, and comparing them with the number of non-local authority dwellings in that area:
<table>
<thead>
<tr>
<th></th>
<th>Number of firms per 10,000 non-local authority dwellings</th>
<th>% increase 1951-65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midlands</td>
<td>6.3 8.1</td>
<td>29</td>
</tr>
<tr>
<td>Wales &amp; the West</td>
<td>6.0 7.9</td>
<td>32</td>
</tr>
<tr>
<td>South</td>
<td>12.2 13.1</td>
<td>7</td>
</tr>
<tr>
<td>England &amp; Wales</td>
<td>6.9 8.4</td>
<td>22</td>
</tr>
<tr>
<td>North</td>
<td>5.0 5.5</td>
<td>10</td>
</tr>
</tbody>
</table>

Most noticeable is the density of estate agents in Southern England relative to other areas. It is also apparent that the growth rate of agencies in the South has been much slower over this period than in other areas of England and Wales. The phenomenal increases shown for the Midlands, Wales and the West is perhaps indicative of recent trends of decentralisation, and the consequent growth of large urban areas.

The most usual form of expansion for a firm of estate agents is to establish small branch offices throughout an area. A committee of estate agents, reporting to the Monopolies Commission, suggested that the reason for this was the need for personal service of good quality. They commented that 'too many negotiators caused inefficiency; they competed with each other for business, and they got in each others' way'. The Monopolies Commission saw this type of development as a means of competition between agents to attract a greater share of the market.

The proliferation of Estate Agents would suggest that this is the only way to buy and sell property, yet the Monopolies Commission estimates that only 75% of properties are negotiated through agents, the most usual alternative being private sale. As can be seen from Diagram 3(III) the agents' main function is to initiate the procedure of purchase. Several ways of streamlining the fragmented system of work, or of by-passing the estate agent have been tried. None of the
schemes has been particularly successful, as they are fraught with administrative difficulties, e.g. the problems of keeping the registers up to date, the vendors and agents' resistance to try unproven techniques, and the purchasers' resistance to pay for the information he receives which traditionally has been free.

THE USE OF ESTATE AGENCIES

The following descriptions are based on a small sample of 54 interviews with first time house purchasers that I conducted in October 1972 to March 1973. (See Appendix 1).

Estate agencies proliferate in South east England. This may suggest that this is an indication of a high turnover rate of property, most usually associated with a transient population, or of an affluent area where the indigenous population can afford to change their homes as their social pattern alters during the life cycle. South west Surrey seems to be an area where both these factors may be powerful influences in the movement of population.

a) Search Procedure of Sample Respondents

Three couples gave no information of their search procedure. 51 couples (94.4%) had visited local estate agents, 45 had searched local newspapers, 29 had asked local friends or relatives, 18 had a professional contact and 3 couples had advertised for a property to buy in a local newspaper.

The couples in the sample seem to fall into three groups in their search activity patterns - Specific Area (13 couples), Selected area (15 couples), Extensive area (22 couples): (i) those who were specific in their search area - 13 couples

9 couples were receiving details from estate agents in only 1 town

4 couples were receiving details from estate agents in 2 towns.
(ii) those who were selective in their search area

15 couples were receiving details from estate agents in 3, 4 or 5 towns

(iii) those who were willing to search over an extensive area

5 couples were receiving details from agents in 6, 7 or 8 towns

17 " " "" " " " in more than 8 towns

The large number of couples who were searching over an extensive area suggests that they were a very mobile group, and reflects that there were few properties in their price range available at this time.

b) Properties Viewed

This variable was created by summing the scores for each type of property viewed. The problem in using these scores is that the number of properties viewed may be dependent on variables such as the length of time that the couples have been searching, and the number of hours viewing per week.

The distribution is represented in the following histogram:

As there was a wide range in the number of properties viewed, the distribution was grouped in the following way:
(1) Those who had seen 0 properties
(2) 'Searching stage' - those who had seen 1-5 properties
(3) 'Potential buying stage' - those who had seen 6-10 properties
(4) 'Over selective stage' - those who had seen over 10 properties

These groupings were chosen on the basis of Charles Shea's suggestion in the *Times Guide to Buying a House* (1971) that the average number of properties viewed before buying is six to ten. Groups 1 and 4 seem to be extremes; these groups will be considered individually at a later stage in the analysis.

As the interviews were conducted over a period of six months, and there was no selection of respondents on the basis of how long they had already been searching for a house, the number of properties seen by respondents will possibly be influenced by factors such as the length and the intensity of the search procedure, and the area over which they were prepared to search.

There is an interesting relationship between the number of properties viewed and the length of time the couple had been searching, yet there is no relationship with the number of hours searching per week. Although these may appear to be contradictory statements, it may perhaps be explained by the fact that there were very few properties at the lower end of the price range on the market at this time. Hence a concentrated search in terms of many hours/week was to no avail. This may also partly explain the rather curious finding that there was no significant relationship between the number of properties viewed and the area from which the couples were receiving details from estate agents.

On considering this distribution, it seems that there is a slight tendency to suggest that by widening the search area, there would be a wider selection of properties to view:
<table>
<thead>
<tr>
<th>Properties Viewed</th>
<th>1 Town (Specific area)</th>
<th>2 Towns (Narrow area)</th>
<th>3,4 or 5 Towns (Selected area)</th>
<th>6,7 or 8 Towns (Wide Area)</th>
<th>8 or More Towns (Extensive area)</th>
<th>Row Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>1-5</td>
<td>4</td>
<td>2</td>
<td>6</td>
<td>1</td>
<td>4</td>
<td>17</td>
</tr>
<tr>
<td>6-10</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Over 10</td>
<td>2</td>
<td>1</td>
<td>6</td>
<td>1</td>
<td>7</td>
<td>17</td>
</tr>
<tr>
<td>Column total</td>
<td>9</td>
<td>4</td>
<td>15</td>
<td>5</td>
<td>18</td>
<td></td>
</tr>
</tbody>
</table>

Details from Estate Agents

Another indication of the fact that there were few properties for sale at the lower end of the market at this time is seen in the comparison between the number of properties viewed and income. Despite a wide range in income levels (Joint income £1,750 to £5,000; male income £850 - £3,250, female income £200-£2,750), there was no relationship between joint income, or between male income and the number of properties viewed. These factors suggest that the price of properties was a powerful factor in determining the number of properties that couples viewed.

As might be expected, there was a strong relationship between the number of properties viewed and the number that were seriously considered for purchase. Similarly there was a strong relationship between the number of properties viewed, and whether an offer had been made on any property. These findings might suggest that a process of evaluation is occurring during the search procedure.

There is some evidence to suggest that if advice on various aspects of house purchase was sought, the couple would be likely to view more properties. Advice from a solicitor appears to be the most important element.
There are no strong relationships between the number of properties viewed and locality preference, which again suggests that there was very little choice available. Similar results were obtained in comparing the number of properties viewed and the respondents' preferences in design.

The finding that there appears to be a strong relationship between number of properties viewed, willing to add extension, suggests that there were only small houses for sale in the price range of first time purchasers.

c) Properties considered

The respondents were asked to give more details on properties that they had considered for purchase. I suggested 2 hours as being a convenient measure, if respondents questioned 'how long'. The distribution is represented in the following diagram:

![Diagram showing the distribution of properties viewed]
The respondents were then asked why they did not proceed with the sale:

<table>
<thead>
<tr>
<th>Code</th>
<th>Property 1 No of cases</th>
<th>Property 2 No of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Not applicable</td>
<td>12</td>
</tr>
<tr>
<td>1</td>
<td>Too highly priced</td>
<td>16</td>
</tr>
<tr>
<td>2</td>
<td>Previous cash offer</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Too much renovation</td>
<td>10</td>
</tr>
<tr>
<td>4</td>
<td>Can't get mortgage</td>
<td>3</td>
</tr>
<tr>
<td>5</td>
<td>Reconsideration of locality/design feature</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>'Gazumped'</td>
<td>1</td>
</tr>
<tr>
<td>7</td>
<td>Insufficient for deposit</td>
<td>1</td>
</tr>
</tbody>
</table>

Although the number of respondents is small, certain trends are apparent in the above figures. The increase in the number of 'not applicable' replies is suggestive that an increasing number of the group were not able to consider more than 2 houses.

On considering codes 1 and 6, it would seem that respondents were 'feeling their way' in the market, in economic terms. They were evaluating properties; by the time they were seriously considering their second property, fewer people suggest it has been 'too highly priced', and fewer people suffered 'gazumping' for a second time. They were more likely to lose the property because of a previous offer (not necessarily higher). They are more likely to have taken steps to find out if they can get a mortgage.

But on considering code 3, it seems as though experience in looking at properties is affecting their choice, and perhaps leading to a modification of 'ideals'.

Code 5 suggests that the more houses people see, the more specific they become on location and design specification.
Offer made/No procedure

Estate Agents frequently comment that their fees must be inclusive of an allowance for 'abortive' work. Frequently sales fall through because the potential purchaser is unable to sell his own property or unable to obtain a sufficiently large mortgage on the property; or considers the survey or the solicitors report to be unfavourable; or simply because 'they changed their minds'. Of the 54 couples whom I interviewed, 34 had already made an offer on a property.

<table>
<thead>
<tr>
<th>Offer Made: Reason for No Sale</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No information given</td>
<td>16.7</td>
</tr>
<tr>
<td>Unable to obtain finance</td>
<td>11.1</td>
</tr>
<tr>
<td>Vendor accepted higher offer</td>
<td>25.9</td>
</tr>
<tr>
<td>Unsatisfactory survey</td>
<td>5.6</td>
</tr>
<tr>
<td>Unsatisfactory solicitor report</td>
<td>0.6</td>
</tr>
<tr>
<td>Changed our minds</td>
<td>5.6</td>
</tr>
<tr>
<td>Vendor decided not to sell</td>
<td>1.9</td>
</tr>
</tbody>
</table>

Order of procedure

Respondents were asked to suggest the order of procedure in buying a house. The responses were later coded as reasonable/unreasonable. Only 18 couples suggested a reasonable order, 33 were unsure of the procedure. This may be an indication that more advice is needed.

d) Estate Agents Advice Role

Whilst the agent is essentially working for the vendor, he may be willing to give advice on the procedure of house purchase to the potential purchaser, as this may hasten negotiations, thus securing a sale and subsequently his commission. The agent may also consider that if he adopts an 'advisory' role to the purchaser at the buying stage, this may be a good advertisement for his trade, thus securing him a commission when the purchaser needs to sell the property.
Of the couples whom I interviewed, 28 had found estate agents were willing to give advice on the financial aspects of house purchase procedure, 23 had had no advice from agents. No respondent suggested that agents were willing to help them choose the type of property best suited to their needs, or that the agent was particularly helpful.

From discussion with agents it was apparent that they adopt different attitudes on their advisory role to potential purchasers. These attitudes range from earnest concern to apparent disinterest, for the potential purchaser. Detailed discussion of these attitudes is included in a later section.

There were few couples who were confused about the legal responsibilities of an Estate Agent. The analysis of the two relevant questions is as follows:

(1) 46 couples were sure that the estate agent was not legally obliged to point out defects in a property to the potential purchaser. Three couples were under a misapprehension, 5 couples did not answer the question.

(2) 49 couples said that an 'offer subject to contract' was not legally binding, 2 couples thought it was, 3 couples did not answer.

Several respondents commented on the lack of privacy in Estate Agents offices. If the agent aims to adopt an advisory role, it is essential for them to create an atmosphere in which the purchaser has confidence in his 'profession'. Despite this lack of privacy, twenty couples said they were willing to trust estate agents advice; 33 couples were untrusting. Of these 33 couples, 27 did not trust him because they realised he was working for the vendor, 2 couples 'because of what we've been told', 3 couples felt agents had a tendency to oversell, 1 couple said they were unreliable and could initiate 'gazumping', and 2 couples had found agents to be 'standoffish'.
INTERVIEWS WITH ESTATE AGENTS IN GUILDFORD

Purpose:  

a) to establish rapport with local agents who would be key figures in collecting a sample of respondents.  
b) familiarise myself with the house purchase scene in South west Surrey  
c) discussions with agents may give other leads  
d) to see how different agents work/view themselves and their job.

I chose to interview estate agents established in Guildford, as I felt that any potential house purchaser in South west Surrey would at some time visit estate agents in Guildford, as this is the main town of the area. Most estate agents practising in South west Surrey have branch offices in Guildford. Several firms have two offices in Guildford and many others in the South West Surrey area. The manager of each firm was approached in October 1972 to request a meeting. Fifteen agents were interviewed representing 15 of the 16 firms established in Guildford at that time. One firm refused to meet me, despite repeated attempts to reassure them that the research was confidential. During my interviews with other agents it became apparent that some agents distrusted this firm's practice. This may, in part, be because their management are young people, whose approach to business seems dynamic; they have introduced a 7-day opening for all their offices in Surrey; their advertising is bold and extensive. These factors may well contribute to other agents feeling that this firm were 'pinching' their trade. During interviews with respondents, I met divergent views on the practices of this company - some were noticeably impressed with the apparent efficiency of the firm; others were particularly critical, often accusing the firm of malpractice and several instances were quoted that would suggest the firm had been involved in cases of 'gazumping'.
All other firms granted an interview with the manager or leading agent in his office. The character of the manager noticeably varied with the type of firm (or vice versa). There are a few long-established firms in Guildford which appear to be managed by rather conventional (conservative) middle-aged gents; their business interests seem to be mainly in the higher priced properties. Some of the newer established firms are managed by younger men who seem to have more progressive (radical) ideas. The overheads of these firms are probably considerably lower, but is the advantage passed on to the client? These firms deal mainly with properties in the lower price range.

Between these extremes there are firms where young management has been appointed in quite a well-established firm. They aim to deal with a wide spread of the market.

The different attitudes of the managers is clearly reflected in their response to certain of the structured questions in my interview. Unfortunately, the sample is too small to formulate theories of estate agents' influence in a dynamic situation but observations can be made on individual cases which may be suggestive of the general trends. These comments are outlined in the detailed analysis of each question.

The discussions were structured to the extent that each agent was asked his opinion, at some stage in the interview, on the following seven aspects of his work:

1. Reason for dramatic rise in house prices
2. Consequences of housing shortage in South west Surrey
3. Balance of properties in South west Surrey
4. Attitudes to Green Belt policy in South west Surrey
5. Attitudes to multiple agencies
6. Changes desirable in house purchase procedure
7. Other comments
The questions were selected as being ones on which the estate agent would probably already have well-formed opinions. These 'set' questions were introduced at the most convenient point in the discussion, when conversation veered in that direction, or at any point when I felt a need to introduce a different aspect into the discussion. The discussions were tape-recorded as I felt this to be the least obtrusive way of collecting accurate information. The recordings were later transcribed and ordered into a comparative form. Most of the interview was conducted as informally as possible to give opportunity for each agent to express his particular ideas. Consequently, a good rapport was established and all agents agreed to co-operate with the research programme I was proposing. This method of interviewing seemed quite successful.

**Question 1  House Price Rise: Why:** Six agents suggested that a dramatic increase in land prices in South west Surrey had been the main factor in causing the increase in house prices in the area. One other agent saw the problem as one of over-demand in South east England as being the major factor. He argued it was over-demand for land that escalated land prices which, in turn, affected house prices. These agents were of very different types and so I do not feel there is any relation between agents' attitude and their reasoning on this question.

Three agents saw the problem of increasing house prices to be caused by over-demand for existing dwellings. They each suggested that there was insufficient new building in the area, and directly attributed this to the local authorities' reluctance to grant planning permission. It is noticeable that these three agents were youngish men who were very critical of the local authority power to determine the rate of new house building. They each suggested that
council members were amateurs who have insufficient knowledge and experience for their important job.

Two of the younger agents in well-established firms suggested that an important factor in the rise in house prices was due to Building Societies having funds available and being willing to loan larger amounts. Whilst it seems reasonable to suggest that Building Societies have an important role in controlling the flow of funds for house purchase, it is surely dubious to think they are instrumental in causing the initial rise in prices. It is more reasonable to suggest that they can perpetuate the escalating situation. They can certainly affect the market in the reverse direction, as if they do not have sufficient funds, market prices will stabilise or fall. Building Societies have a responsibility to regulate the flow of funds and legislation is desirable to enable them to spread their flow over longer periods than at present.

One agent comments that a relative rise in incomes has given more people the ability to borrow money for house purchase and more want to buy. Another agent comments that the rise in house prices is disproportionate to the increase in wages - hence many peoples' expectations will never be realised.

These two comments may be considered as a picture of the house purchase scene in the past ten years. Incomes rise: people more affluent: purchase luxury goods: higher expectations. Some, who before could never buy now realise it as a possibility. Some buy: increased demand, therefore prices rise. Price rise disproportionate to increase in wage/insufficient number of houses for them to buy therefore expectations never realised. What consequences?

Three of the younger agents suggested that the influence of mass media had created 'panic' buying. This creates a false demand and prices rise. But this can only be considered as a reciprocal
When the agents were asked their opinion of the possible trend in house prices over the next two years, five agents predicted that prices would start to rise again in the Spring of 1973, but that they would not be as dramatic increases as the period 1971-72. These five agents were all members of well-established firms, three of which deal mainly with higher priced properties. Four agents commented that the lower priced houses are most sensitive to price increases because they are almost always supported by Building Societies' mortgages. They anticipate a levelling off in lower priced houses as the people buying this type of property cannot afford higher mortgages. One agent comments that as a whole housing market is influenced to some extent by this lower price range consequently he anticipates a steadying of house prices throughout the market. Four agents whose business is mainly in the lower price range each commented on the inability of young marrieds to be able to buy a home in South west Surrey without financial help from parents. One agent expressed a particular fear that some young couples have over-committed themselves.

**Question 2 Consequences of Housing Shortage**

It is unfortunate that some of the agents' interviews were prior to the Annual Dinner of the West Surrey Association of Estate Agents and some were in the following week, as agents' views on this question were admittedly affected by the Chairman's speech. Mr. Donald Flack commented: "It is a regrettable fact that many young couples are being forced to leave this district and make their home in the less expensive parts of the country, simply because houses in the lower price range are not available and if this trend is allowed to develop too far, it could of course, result in an ill-balanced population
population with a predominance of elderly and wealthy!"

Eight agents expressed the view that the Guildford area is becoming increasingly an area where only the relatively wealthy can survive. Three of these agents commented that the only 'low-priced' development possible is in Woking and Ash Vale areas. This perpetuates the trend where many young people commute to work in Guildford and creates additional environmental problems - roads, parking.

It seems as though it is only possible for young people to consider buying in the Guildford area if either:

a) they are wealthy 'artisans', possibly working in London where wages are higher, but where accommodation also is more expensive, hence this area maintains its appeal.

b) they have substantial financial assistance additional to their mortgage.

That young people are finding it necessary to move out of the immediate Guildford area, cannot lead to a thriving development for the area.

If house prices and mortgage rates continue to rise, there is little hope of buying a house for an increasing segment of the first time purchaser market. The situation of it being cheaper to buy, rather than pay rent, is no longer viable. As many young people are confronted with this situation, there is an increasing demand on the rapidly declining privately rented sector.

The shortage of housing at prices young people can afford to pay is having repercussions in attracting labour to the area. Four agents expressed concern particularly at the plight of manual workers: four others commented on the difficulty of attracting even young professionals to the area. Two agents felt it essential for a Government subsidy for housing for certain groups of people.
Question 3  Balance of Properties in South west Surrey  The agents were asked their opinion on the balance of properties that are being built in the area to supplement existing properties. Their feelings can be summarised: two agents felt the balance of property was reasonable; four agents, all 'conservative' felt that too many small houses (3 bed) were being built; five agents (conservative) suggested that not enough detached family houses were being built; two agents commented on a demand for 3-bed luxury flats; but six very divergent characters agreed that the greatest demand (which is not being met) is for cheaper houses - small 1/2 bedroomed units. This preliminary breakdown of views suggests that the greatest demand is two-fold:

a) from young married couples eager to buy their first home, when 1/2 bedroomed accommodation would be most suitable.

b) from families in the expanding years, who may presently be occupying small 3-bedroomed houses on estates but need more space. Hence the need for larger family dwellings (possibly detached). They are unable to move as there are insufficient larger houses available at prices they can afford. Hence they 'clog' the system, which reflects most on the lower (young) income groups.

Since the war Britain has been bedevilled by an imbalance in the house building programme. Priority has been given to 3-bedroomed houses, irrespective of demand. The situation has become critical since house prices escalated, for it is no longer possible for first time purchasers to enter the market at the price level that is now demanded for a 3-bedroomed property. Only recently have house-building programmes conceived that a greater variety of dwelling places is essential. One agent expressed apprehension at a recent trend to plan mixed developments. His concern - will they sell? as people are still very class conscious and consequently aesthetic
Two other agents (conservative) each expressed fears that as high density population seemed to be the main consideration in the house building programme - this has a two-fold effect - dense population/cheap properties ('slums'? more properties that are available attracts greater percentage of population to South east.

**Question 4 Attitude to Green Belt** Estate agents’ livelihood is partly dependent on development (e.g. often instrumental in selling land for development). One agent comments on conflict of attitudes. Their views are often coloured too by the attractive semi-rural/rural nature of much of South west Surrey. Over-development may lead to a loss of character for the area: in time it would become a less desirable area which is reflected in studying falling house prices. As estate agents fees are currently calculated on the value of the property, it is surely reasonable to assume they have something of a vested interest in maintaining and possibly increasing house prices.

The agents were almost evenly split in their attitude to the implementation of the Green Belt policy in South west Surrey. Six agents were in favour of a preservation policy, eight were in favour of development. But in each group some agents were eager to add conditions to their comments. Of the six who expressed 'preservationist' ideas, four were men who also expressed other rather conservative views in the course of the interview. Two agents, both younger men managing smaller firms each modified their views by stressing that there should be intensive development on land that is currently available for building, thus creating areas of high density population and sparsely populated semi-rural Green Belt.

Two 'conservative' agents recognised the need for further development but suggested that people must go elsewhere! They both felt that
Hampshire must be more intensively developed with an effective transportation communication system to other parts of the South East. Another agent, himself preferring semi-rural to intensive development, suggested that one of the main problems that would be met in developing Surrey is that the County has insufficient labour and materials and a totally inefficient network of roads.

The remaining agent felt guilty at the conflict of opinion facing him - a conservationist at heart, but instrumental in negotiating development land transactions.

Eight developers—four of whom commented on the power of local authorities in granting planning permission, and two 'conservatives' suggested that the local authority is afraid to take responsibility for granting planning permission with the result that South West Surrey has a stagnating development policy until central Government issues a directive. The other two progressive agents were particularly critical of the workings of the local authority committees in taking decisions. They argue that as Councillors are amateurs they should not be given the responsibility of making major environmental decisions. Their inexperience in the housing field leads them to a negative approach in a dynamic situation.

The other four agents gave answers in favour of 'development' in such a way as to suggest their ideas had, to some extent, been influenced by Mr. D. Flack's address as Chairman of West Surrey Association of Estate Agents and Auctioneers at their annual dinner in the previous week. Two of them admitted this influence and a change of attitude.

To quote Flack: "Time has come for planners to take a more detailed look at Green Belt. I'm quite sure nobody would abolish the well established Green Belt policy that has ensured the preservation of
delightful countryside in the county. But there are also many square miles throughout Surrey which because of topography or situation are just overgrown wastelands. Time has come not to blanket vast areas with Green Belt designation but to sort out wheat from chaff and make some of this unused land available for residential development and other parts accessible for public recreation. Land is too precious to be wasted. Planners should supplement their negative and restrictive role with a more positive approach - I would also like to see land developed to fullest potential and directed to market sector most urgently in need - in South west Surrey this is the lower price bracket".

Flack warns of young people leaving the area resulting in an imbalance of population with a predominance of elderly and wealthy. Flack reassures Councillors that West Surrey has been fortunate in having progressive and forward-looking authorities but their powers in the directions suggested have been too limited by national policies. Flack suggests furthering of partnership between council, financial institutions and developers in residential areas.

Question 5  **Attitude to multiple agency** Agents were asked their attitude to the practice of multiple agencies, as it was felt that their answers to this question would reflect their varying attitudes to their work.

One 'progressive agent' felt that multiple agencies fostered a competitive spirit between agents, which enlivens the market and forces agents to have a more dynamic approach to their work. He saw the practice of sole agencies as breeding apathy. Three other agents agreed, to a limited extent, with his view. They felt that competition between two or three agents was desirable but their enthusiasm waned if more agents were involved, as this greatly reduced
their chances of effecting a sale.

More agents (eight of those whom I interviewed) seemed to be in favour of sole agencies. Three specified they demanded sole agency for four weeks. They gave varying reasons for their preference. Three agents specified that they worked harder for their client if they were given a sole agency. Perhaps this is because they were more certain of the highest reward! One agent alone suggested that he felt a moral obligation to the client who gave him a sole agency. Two other agents of reputable firms in Guildford admitted that, unless they were given a sole agency, they did not try to sell the property. One admitted that, in many cases, he didn't put the property on the books. One wonders if clients are aware of this practice and it does nothing to change the image of estate agents who themselves are demanding to be considered as 'professionals'. Two young 'professional' managers of well established firms each commented on the conflict - they were aiming to adopt professional standards (i.e. in favour of examinations for estate agents, scale fees, consultants) yet it is a highly competitive commercial business. This atmosphere can lead to unprofessionalism/malpractice. Both admitted that some of the recent causes of 'gazumping' could have been caused in this way.

**Question 6 Changes desirable in house purchasing procedure** This question was used in the estate agents' interviews as it is an aspect of house purchase on which agents would most certainly have opinions, be keen to air their views, and their suggestions may lead to other aspects of the house purchase scene to be investigated. The question was successful on each of these points.

Five agents were critical of the system of conveyancing. Most suggested that the procedure should be simplified enabling a speedier
transaction. They point out that in several other countries quicker systems are operating with apparent efficiency. Their desire for a quicker system is understandable but one questions as to whether they have more than a layman's knowledge of the legal processes involved and if their suggestions are feasible.

The agents' desire to finalise deals quickly is also apparent as five agents suggested that in some way vendors and purchasers' agreement should be more binding. Presently, estate agents' fees must include an allowance for abortive work. This could be overcome if both vendor and purchaser paid a non-returnable deposit, so that there would be some compensation for the agent and the injured party if the transaction did not proceed. Other suggestions to ensure a sale once negotiations have started were: a) contract to be prepared as soon as property is on the market; buyer should have finalised finances before proposing an offer, b) there should be radical changes in mortgage schemes available, such as Government sponsored schemes with longer loan period, lower interest rates with the loaner taking a share of the properties, c) a centralised listing of properties on the market. e.g. in Council offices would be theoretically the simplest system but the agent who ventured to suggest it questioned its efficiency. One might argue that he has vested interests in the present market system and consequently would not support any radical change in the role of Estate Agents.

From this brief study of estate agencies in Guildford, it is apparent that the role of the estate agent may be an important influence in the house purchase process. This study has since been used as a pilot study in a more detailed research project, currently being undertaken by an inter-disciplinary team of researchers at the University of Surrey. From their preliminary findings, the
Housing Research Unit suggest that there are varying types of estate agencies, each characterised by the management structure, the type of work they undertake and the selling methods employed. Further analysis and publication of their findings will lead to a greater understanding of the role of the estate agent in the house purchase process.

* Note:

This research project is headed by Dr. David Canter, Environmental Psychologist; the team of researchers are:

- Miss Jennifer Brown - Social Psychologist
- Mr. Hal Richardson - Psychologist/Statistician
- Mr. Peter Brown - Architect
- Mrs. Delia Clarke - Home Economist.
CHAPTER 3

3.11 REFERENCES

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A Report on the Supply of Certain Services
by Estate Agents  H.M.S.O. 1969
Traditionally, housing research has been limited to investigating housing conditions which may cause "social problems" e.g. unfit dwellings, homelessness. Usually these studies have been carried out on a national basis, and have yielded only statistical information. More recently, several local studies have focussed on problems caused by rehousing and settlement of families in a new locality. Neither of these approaches are particularly appropriate to a study of the housing situation in South West Surrey. One of the main considerations of housing problems in this area is the effect of the unprecedented rise in house prices since 1970.

The repercussions of this are noticed particularly on the availability of lower priced houses. As this segment of the market is usually attractive to first time purchasers, the lack of houses available in their price range is seen to be creating a new "social problem".

a) Sample Characteristics:

Of the 59 first time purchasers interviewed, 5 were single men who were hoping to buy a home for their sole use. The remainder of the sample were either married, engaged, or couples who had the intention of living together. In these cases, the couple were interviewed together. No claim can be made that the respondents interviewed are a representative sample of first time purchasers in South West Surrey in 1972/73, because of the biases explained in appendix I. It is only possible to study these respondents as a group, analysing the variation within that group and recognising how it may differ from the area population.
AGE OF RESPONDENTS.

The bias in the age range of the sample - no respondent was under 18 years or over 40 years of age - indicates that respondents were mainly young people. No male respondent was less than 21 years old, whilst the proportion of males:females is considerably greater aged 35-40 years. The mean age of male respondents was 28.5 years compared with the mean age of females 25.5 years.

The couple age range also reflects the youthfulness of the respondents. 41.5% of the sample were couples who were both under 25 years. A further 20% were couples in which one partner was under 25 years of age, and the others were in the 25-35 year age group. Of the total group, 61.5% were couples with at least one partner under 25 years.

DATE OF MARRIAGE

Thirty six couples (66.7% of sample) were married at the time of the interview. One couple gave no information. The remaining 17 couples (31.5%) were planning to marry between April and December 1973.

It is apparent that this group of first-time house purchasers were only recently married (20.4% had been married 2 years, 25.9% were married in the preceding twelve months), or were planning to marry during the following nine months (31.5%). Only 5 couples (9.3%) had been married over five years.

LENGTH OF ENGAGEMENT:

It may be considered quite surprising that all the respondents recognised "an engagement", and were able to specify its duration. It is interesting to note that 21 couples (38.9%) have been "engaged" for 6 - 12 months, and a further 20 couples (37.0%) for one to two years.
NUMBER OF CHILDREN

Only 5 couples in the sample had children: one family had two boys and one girl; one family two boys; two families one boy and one girl; one family one girl

EDUCATION

Type of School

In some circumstances this variable was difficult to group, as some respondents had been to different types of schools during their school career. In these cases, the "higher" form of education was coded e.g.

Comprehensive, then Grammar - coded "Grammar"

Three male respondents had received public school education, which for the sake of simplicity was coded as Grammar. This system may bias the results in favour of the Grammar-school type education.

A study of respondents' educational backgrounds shows the preponderance of respondents with Grammar-school education (male - 61%, female 51%). This is indicative of biases in the sample, as the percentages are unusually high compared with the national average. Couples educational ranges also reflect this tendency - 48% of couples had both received "Grammar school education". A further 22% were couples in which one partner had received this type of education.

Terminal Education Age

At the time of the respondents' education, the statutory school leaving age in England was 15 years. For the purpose of this study it is assumed that respondents who say their terminal education age was 16 years or over, will be regarded as having had some form of extended education: 48 males (88.9% of sample) and 43 females (79.8% of sample). Between the ages of 16 and 18 the male respondents'
terminal education age drops significantly at each year group, whilst the females' remains more constant.

As expected few respondents terminated their education at age 19 or 20; this suggests that once they have opted for higher education, they are likely to stay the course.

It is interesting to notice that considerably more male respondents had terminated their education after 21 years. This may be indicative of additional professional training after 21 years. This trend is also suggested by comparison of the numbers of males and females with "professional occupations" - 21 males (38.9% of sample), 8 females (14.8% of sample). When the couples' terminal education age is considered, only 11 couples (20.4% of sample) had completed their education by the age of fifteen years, whereas 29 couples (53.8%) were both aged over seventeen years. Of these, 14 couples (26.0%) were both aged over 18 years. This is further evidence of the sample being biased to include the more highly educated.

Further Job Training

A similar trend is observed on considering job training: 40 males (74.1%) and 39 females (72.2%) had further job training. There are only six couples in the sample where neither of the partners had had further training. In thirteen cases, one partner had received additional training; in 33 cases both partners had undergone further training.

Educational Levels

In an attempt to assess educational achievement, each partner was grouped with respect to type of school, terminal education age and further job training. An eight point scale was devised:
Higher degree
Degree or teaching qualifications
Professional training "on the job"
Night school/Day release e.g. HNC
Day release, e.g. City and Guilds, 'O' level
18 year-old leaving Grammar or Technical School
15 year-old secondary school leavers

From the distribution of responses, it is apparent that the males tend to be more highly educated than the females in the sample. In order to determine the couples' educational level, the eight groups were condensed into three:

High level of education - degrees, diplomas, professional qualifications
Moderate level of education - 'on the job' training, day release, night school
Low level of education - school leaving less than 16 years

The distribution of these groupings, gives further evidence that the sample was biased towards the more highly educated.

OCCUPATION

The occupation of respondents was coded as categorised by the Registrar General. An additional group of 'Housewife' was included, but as the sample were mainly childless couples, only three wives classified themselves as 'Housewife'. 46 males (85.2%) and 40% females (74.1%) were employed on a regular daily basis. 8 males (14.8%) and 5 females (9.3%) were engaged in shift work. In addition, three females were employed on a part-time basis, and six were unemployed. As only three females had classified themselves as 'housewife' it would seem that three were temporarily unemployed.
The distribution clearly shows biases in the occupations of the sample. No respondent was deemed 'unskilled'. There is no evidence to suggest that this is representative of population in South-West Surrey. The classification of occupations indicates a bias towards 'the professionals': 21 males (38.9% of sample) and 8 females (14.8%).

It is interesting to note the high proportion of women with 'intermediate' occupations.

On considering the occupational level of couples, the tendency towards 'professionalism' is again evident. 28 couples (51.9%) had at least one partner in a professional or intermediate occupation.

The occupational levels of the respondents' parents, also indicate a tendency towards 'professionalism' and skilled workers.

**INCOME**

The differences in distribution between male and female income is evident in this sample. The tendency for females to be younger, and more likely to be in semi-skilled employment than males in the sample, would explain the skewness in the comparison of the distribution of income levels. As there were no comparative income statistics for young people in the Guildford area, it is difficult to assess how these levels correspond to the local salary structure. It is, however, appropriate to comment that the mean male income in the sample of £2,000 to £2,500 at the time of interview would reflect the tendency for males to be employed in the more highly paid occupations - professional and skilled workers.

From the distribution of the couples' joint incomes, it may be suggested that only the 20% of couples whose joint incomes were in excess of £4,000 would be likely to be able to obtain a mortgage for a property in excess of £10,000. For approximately 60% of the sample, earning less than £3,500, the probability of getting a large
enough mortgage without additional financial assistance was extremely unlikely.

b) Housing Experiences

Previous Accommodation

The tendency for more females than males to be living in their parents' home before marriage is evident. In 13 cases (24.1% of sample) both partners had lived at home prior to marriage. In 19 cases, both partners were living away from home before marriage, and in 21 cases one partner was at home the other away. Their experiences in living away from home may be reflected in their attitudes to house purchase. In 10 cases both respondents were still living in the parental home; in another 4 cases the female was still at home. Their experiences were not applicable in considering the couples' present accommodation.

The distribution of the length of time since respondents lived at home shows a tendency for couples either still to be living at home, or to have left home several years previously: 30 males (55.6%) and 25 females had lived away for more than three years. In 30 cases (55.6%) both partners had lived away from home for more than one year. It is hoped the analysis will show the effect of the home influence in attitudes to house purchase.

Parents' Home accommodation

From the distribution of the distances of respondents' parents home from Guildford, two distinct groups are evident: in 15 cases (27.8%) both the respondents' parents live within 25 miles of Guildford; and those couples with one set of parents living
within 25 miles of Guildford, whilst the other set of parents lives over 100 miles away.

From the evidence in these two distributions, it may be reasonable to suggest that there is a tendency in several cases for one partner to move to South West Surrey after marriage.

The respondents characterised their parents' homes in the following way:

**URBAN/RURAL**

30 male, and 21 female parental homes were in rural areas
24 male, and 32 female parental homes were in urban areas
In 11 cases both parental homes were in rural areas, compared with 19 cases in urban areas. 24 cases were a mixture of both urban and rural areas.

**OWNER OCCUPATION**

The tendency towards the respondents' parents being owner-occupiers is considerably greater than the national average of 32% owner occupation. It is hoped that further analysis will show if this influences respondents' attitudes towards home ownership.

**SOLE OCCUPANCY**

There were only 4 cases in which the parental home was shared accommodation: three of these were sharing with a relative, one was letting part of the parental home to a paying tenant.

It is apparent that sharing accommodation would be a new experience for respondents.

**TYPE OF PROPERTY**

A tendency for the parental home to be either detached (23 males - 42.6%, 21 females - 38.9%) or semi-detached (19 males - 35.2%, and 23 females - 43.6%) is evident. In comparison very few parental homes were terraced properties (9 males - 16.7%, and 5 females - 9.3%) or flats (2 males - 3.7%, 4 females - 7.4%). The style of
parental home may be an influencing factor in the respondents' preferential house type.

Respondents described their parents' homes in the following ways:

<table>
<thead>
<tr>
<th>Garden</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>No garden</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Small garden</td>
<td>27</td>
<td>24</td>
</tr>
<tr>
<td>½ - ½ acre</td>
<td>19</td>
<td>16</td>
</tr>
<tr>
<td>Large garden</td>
<td>5</td>
<td>9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Garage</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has garage</td>
<td>33</td>
<td>40</td>
</tr>
<tr>
<td>Has no garage</td>
<td>20</td>
<td>12</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of bedrooms</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 bedrooms</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>3 &quot;</td>
<td>36</td>
<td>31</td>
</tr>
<tr>
<td>4 &quot;</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>5 &quot;</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>6 &quot;</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>7 &quot;</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>9 &quot;</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of reception rooms</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 reception room</td>
<td>14</td>
<td>17</td>
</tr>
<tr>
<td>2 &quot;</td>
<td>33</td>
<td>31</td>
</tr>
<tr>
<td>3 &quot;</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>4 &quot;</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Respondents were asked to describe their parents' home in these ways to see if there is any relationship between the style of the parental home, and the type of home respondents are hoping to buy. It is however very doubtful that in the economic
situation of 1972-73 and the state of the housing market in South West Surrey, that first-time purchasers would be able to achieve a similar style of house to that of their parents, even if they wished to do so. I have no way of knowing whether the details of style of preferential house are a true reflection of respondents’ desires, or whether they have already moderated their views. Hence it will be difficult (and probably unrealistic) to assess whether these preferences are actually related to their parental home.

Present Accommodation

At the time of the interview, 38 couples (70.4%) were living together (36 couples were married); the remaining 16 couples were living independent of one another. 40 couples (74.1%) were not living with parents; 10 couples were both living with parents, and in a further three cases one partner was living with parents. There is a tendency for more females to be living in their parents’ home than males (14 females, 10 males). The data clearly shows the preponderance of couples who had left their parental home some years previously. It can be deduced that the couples who left home several years previously, may have had several changes of accommodation. The couples length of residence in their present accommodation tends to be bi-modal - those who have moved in within the previous three months, and those who have been resident in that accommodation for 6 months to 2 years.

It is evident that many of the couples are already living in the Guildford area. In total 46 couples (85.2%) were both living within 10 miles of Guildford, and a further 5 (9.3%) were living in the South-East.
A trend for people to move into the area on marriage has been noted, it is also apparent that quite a high proportion of respondents are local or South-East people before marriage.

The bias towards the sample including 'local' people was reflected in the analysis of the distance of the respondents' parents home from Guildford.

Of the couples not living in their parents home, the majority were renting accommodation from a private landlord (29 males, 24 females). The only other forms of tenure were:

<table>
<thead>
<tr>
<th>Type of Tenure</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>rented from relative or friend</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>rented from local authority</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>rent-free accommodation</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

The distribution of the type of rented accommodation for both male and female samples is bi-modal - the two largest groups being those couples who are living in a self-contained furnished flat and those living in a furnished bed-sitter. The differences in the types of tenure show the preponderance of couples in the sample who were living in a shared flat or bed-sitter. This accommodation most usually consists of one bedroom and the shared use of one reception room (26 couples - 48% of sample). 37 couples (68.5%), were living in an urban area; in 5 cases the respondents considered themselves to be living in a rural area. The couples' estimation of the date of these properties is bi-modal (21 males and 16 females say their properties were built 1900-1945; 12 males and 11 females say their properties were built 1945-1960). These estimations would suggest that rented accommodation is rarely found in either the very old or very new properties.
c) FACTORS AFFECTING CHOICE OF PROPERTY

In an attempt to understand the process of selection of a first home more fully, respondents were questioned on factors that may be influencing their choice.

(1) WHY BUY?

Of primary importance were the fundamental reasons for wanting to buy a home in preference to other forms of tenure. As a cross-check, respondents were asked this question in two different forms during the interview:

Firstly, an open-ended question - 'describe the main reason you wish to buy a house'.

Secondly, respondents were asked to rank in order of importance the reasons that may have influenced their desire to buy a house. The factors selected had been chosen from the pilot samples' replies to the open-ended question 'Why Buy?'. Only one respondent was unable to verbalise his motive for buying; when given a choice, all respondents ranked their reasons quickly. There is surprising similarity in the distribution of reasons for buying.

<table>
<thead>
<tr>
<th>Why Buy</th>
<th>Elicited</th>
<th></th>
<th>Ranked</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Want place of our own</td>
<td>26</td>
<td>48.1</td>
<td>28</td>
<td>51.9</td>
</tr>
<tr>
<td>Don't want to rent</td>
<td>11</td>
<td>20.4</td>
<td>11</td>
<td>20.4</td>
</tr>
<tr>
<td>Investment</td>
<td>8</td>
<td>14.8</td>
<td>8</td>
<td>14.8</td>
</tr>
<tr>
<td>Never afford</td>
<td>6</td>
<td>11.1</td>
<td>5</td>
<td>9.3</td>
</tr>
<tr>
<td>Future security</td>
<td>2</td>
<td>3.7</td>
<td>1</td>
<td>1.9</td>
</tr>
<tr>
<td>Unable to get council house</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1.9</td>
</tr>
<tr>
<td>Don't want to share with relatives</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
It is apparent that the sample were highly motivated towards buying, as only one couple suggested that their main motive for buying was because they were unable to get a local authority house. Even in this case, it may be unreasonable to assume that that was their primary motivation, as they did not volunteer this reason.

It is apparent from these analyses that the respondents did not consider a local authority home as a possible alternative form of tenure. Yet it would seem that some couples had considered private rentals, as in each distribution 11 couples (20.4% of sample) had volunteered "Don't want to rent" as their primary motive for buying.

It is possible in this form of analysis to suggest exactly which elements of renting were the main reasons for people wanting to buy their own house. More specific replies were obtained from the groups who indicated "want a place of our own" (26 couples 48.1%) and "investment" (8 couples 14.8%).

From this analysis it is possible to suggest that the desire to own their own home is quite strong. It may be artificially low in this analysis, as other couples whose prime motive for buying may be the desire to own their own home may be concealed in the group "Don't want to rent". Similarly, other respondents whose prime motive for buying is investment may also have been included in the group "Don't want to rent". It is equally difficult to suggest the main motive for buying for those respondents who answered "if we don't buy now, we'll never afford it". In the economic situation and very tight housing market of 1972, there is evidence of panic buying.

**ATTITUDE TO LOCAL AUTHORITY HOUSING**

It would appear that few respondents in the sample considered local authority housing as a feasible alternative form of tenure.
Only one couple had suggested that it was because they were unable to get a council house, that they had considered buying a house. Only 14 couples (25.9%) had in fact applied to the local council; 10 were rejected for the following reasons:

<table>
<thead>
<tr>
<th>Reasons for Council House Rejection</th>
<th>No of couples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Were already in rented accommodation</td>
<td>2</td>
</tr>
<tr>
<td>Insufficient length of residence in borough</td>
<td>4</td>
</tr>
<tr>
<td>No children: were not overcrowded</td>
<td>2</td>
</tr>
<tr>
<td>Not married</td>
<td>1</td>
</tr>
<tr>
<td>Waiting List closed</td>
<td>1</td>
</tr>
</tbody>
</table>

The 40 couples who had not applied for council housing gave the following reasons:

<table>
<thead>
<tr>
<th>Reasons for Non-Application for Local Authority Housing</th>
<th>No of couples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property never owned</td>
<td>20</td>
</tr>
<tr>
<td>Couple considered they would not meet council requirements</td>
<td>5</td>
</tr>
<tr>
<td>Couple couldn’t accept council house conditions/wouldn’t like the neighbours</td>
<td>4</td>
</tr>
<tr>
<td>Not prepared to wait</td>
<td>3</td>
</tr>
<tr>
<td>No investment</td>
<td>2</td>
</tr>
<tr>
<td>Against philosophy of council housing</td>
<td>2</td>
</tr>
<tr>
<td>Not married</td>
<td>2</td>
</tr>
<tr>
<td>Other alternative available</td>
<td>2</td>
</tr>
</tbody>
</table>

Outstandingly amongst the reasons for not applying for a council house, is the desire to "own" their own home. It is impossible
from this elementary analysis to suggest the elements that create the ambition of "home ownership", but it is apparent that this is a fundamental factor which probably consists of a complex of inter-meshing relationships.

(2) WHY BUY IN SOUTH WEST SURREY

It is unfortunate that this specific question was not included in the interview schedule. However, by considering several other aspects, it is possible to deduce some of the reasons why some respondents were hoping to buy their first home in South West Surrey. It has already been shown that there is a strong local bias in the sample. It is surely not unreasonable for local people to hope to buy their first house in their own locality.

A second possible motive for wanting to buy in South West Surrey may be indicated in the analysis of respondents' employment areas. These data show the tendency for at least one partner to work in the Guildford area: There is a strong representation of people working in Guildford, with a secondary tendency for almost 20% of the sample to be working more than 15 miles from Guildford. This is most noticeable for the male population. This tendency is illustrated again in the anticipated duration of time to travel to work:

<table>
<thead>
<tr>
<th>Travel Time</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No</td>
<td>%</td>
</tr>
<tr>
<td>Less than $\frac{1}{2}$ hour</td>
<td>9</td>
<td>16.7</td>
</tr>
<tr>
<td>$\frac{1}{2}$ - 1 hour</td>
<td>28</td>
<td>51.9</td>
</tr>
<tr>
<td>1 - 1$\frac{1}{2}$ hours</td>
<td>12</td>
<td>22.2</td>
</tr>
<tr>
<td>1$\frac{1}{2}$ - 2 hours</td>
<td>2</td>
<td>3.7</td>
</tr>
<tr>
<td>Over 2 hours</td>
<td>1</td>
<td>1.9</td>
</tr>
</tbody>
</table>
Considering the respondents' respective employment areas together with their anticipated time to travel to work, suggests that there is a tendency for couples to localise their search area with respect to employment areas. There was a noticeable tendency in this sample for male respondents to anticipate their transport to work as being either private car or train, whilst females suggested more varied forms:

<table>
<thead>
<tr>
<th>Anticipated Form of Transport to Work</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No</td>
<td>%</td>
</tr>
<tr>
<td>Car</td>
<td>39</td>
<td>72.2</td>
</tr>
<tr>
<td>Train</td>
<td>14</td>
<td>25.9</td>
</tr>
<tr>
<td>Bus</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Walk</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

An unusual characteristic of this sample, and perhaps an indication of an affluent mobile group, is seen in their ownership of cars:

<table>
<thead>
<tr>
<th>Number of cars Owned</th>
<th>No. of Couples</th>
<th>% sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>10</td>
<td>18.5</td>
</tr>
<tr>
<td>1</td>
<td>34</td>
<td>63.0</td>
</tr>
<tr>
<td>2</td>
<td>10</td>
<td>18.5</td>
</tr>
</tbody>
</table>

Interestingly, male drivers predominate:

<table>
<thead>
<tr>
<th>Ability to Drive</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yea</td>
<td>49</td>
<td>31</td>
</tr>
<tr>
<td>No</td>
<td>5</td>
<td>23</td>
</tr>
</tbody>
</table>
If a couple are already working in an area, the place of the woman's employment may impose greater restraints on the couples' search area for a home, than the situation of the males' employment.

In an attempt to see how discriminating respondents were in their choice of property, a group of questions relating to area specifications, and other possible influential factors were included in the interview.

(3) AREA REQUIREMENTS

In response to the question "Would you accept a house in any local area?", eighteen couples (33.3%) were undiscriminating, whilst 34 couples (63.0%) said they would be selective. These respondents were asked to specify their restrictions - a mixture of physical and social reasons emerged. This trend was apparent in the analysis of the pilot study, and as a result suitable probes were introduced in the main study if the information was not volunteered:

<table>
<thead>
<tr>
<th>Type of Area that Respondents would not consider</th>
<th>No of Couples</th>
<th>% sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural area</td>
<td>2</td>
<td>3.7</td>
</tr>
<tr>
<td>Urban Area with Terraced property</td>
<td>10</td>
<td>18.5</td>
</tr>
<tr>
<td>Redevelopment area</td>
<td>15</td>
<td>27.8</td>
</tr>
<tr>
<td>Near Council estate</td>
<td>14</td>
<td>25.9</td>
</tr>
<tr>
<td>Locality with high immigrant population</td>
<td>24</td>
<td>44.4</td>
</tr>
</tbody>
</table>

The most interesting of these area specifications are the low proportion of respondents who would not accept a property in a rural area, and the high proportion who specified they would not accept a property in a locality with a high immigrant population.

Considering that the sample were mainly young people, both these findings may be unusual, and peculiar to this particular group.
A similar technique was used to see how selective respondents were when they considered the immediate locality of a property.

<table>
<thead>
<tr>
<th>Important Locality Factors</th>
<th>No. of couples</th>
<th>% sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aesthetic location of property</td>
<td>21</td>
<td>38.9</td>
</tr>
<tr>
<td>Location in relation to work</td>
<td>20</td>
<td>37.0</td>
</tr>
<tr>
<td>Location in relation to amenities</td>
<td>20</td>
<td>37.0</td>
</tr>
<tr>
<td>Location in relation to shops</td>
<td>23</td>
<td>42.6</td>
</tr>
<tr>
<td>Location in relation to schools</td>
<td>9</td>
<td>11.1</td>
</tr>
</tbody>
</table>

These figures may suggest a mobile population, as only approximately 40% of the sample were concerned with factors relating to accessibility of the property. It would seem that these respondents gave equal consideration to the aesthetic location of the property.

Most Important Factors in Choosing a House

<table>
<thead>
<tr>
<th>Factor</th>
<th>No. of couples</th>
<th>% sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>24</td>
<td>44.4</td>
</tr>
<tr>
<td>Investment</td>
<td>3</td>
<td>5.6</td>
</tr>
<tr>
<td>Sound Construction</td>
<td>17</td>
<td>31.5</td>
</tr>
<tr>
<td>Design of property</td>
<td>17</td>
<td>31.5</td>
</tr>
<tr>
<td>Potential design of property</td>
<td>3</td>
<td>5.6</td>
</tr>
</tbody>
</table>

It would appear that respondents were more concerned with finding a suitable property for their immediate needs, than anticipating the investment value (or possible modernisation of the property to improve their investment).
The data indicates a noticeable lack of enthusiasm for the purchase of flats and maisonettes.

(6) PRICE SPECIFICATIONS

Respondents were asked two open-ended questions to elicit information on the maximum price that they were prepared to pay. Firstly, the maximum they would prefer to consider; secondly, the maximum they could afford.

<table>
<thead>
<tr>
<th>Preferential Maximum Price</th>
<th>Maximum Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>£8,000</td>
<td>£8,000</td>
</tr>
<tr>
<td>No of couples</td>
<td>17</td>
</tr>
<tr>
<td>% sample</td>
<td>31.5%</td>
</tr>
<tr>
<td>No of couples</td>
<td>13</td>
</tr>
<tr>
<td>% sample</td>
<td>24.1%</td>
</tr>
<tr>
<td>£8-10,000</td>
<td>£10-12,000</td>
</tr>
<tr>
<td>22</td>
<td>6</td>
</tr>
<tr>
<td>40.7%</td>
<td>11.1%</td>
</tr>
<tr>
<td>17</td>
<td>13</td>
</tr>
<tr>
<td>31.5%</td>
<td>24.1%</td>
</tr>
<tr>
<td>£10-12,000</td>
<td>£12-14,000</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>7.4%</td>
<td>7.4%</td>
</tr>
<tr>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>24.1%</td>
<td>3.7%</td>
</tr>
<tr>
<td>£12-14,000</td>
<td>£14-16,000</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>1.9%</td>
<td>1.9%</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>5.6%</td>
<td>5.6%</td>
</tr>
<tr>
<td>£14-16,000</td>
<td>£16-18,000</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>£16-18,000</td>
<td>£18-20,000</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>1.9%</td>
<td>1.9%</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>1.9%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

As might be anticipated, the preferential maximum price is usually below the absolute maximum price that respondents were prepared to pay.

d) HOUSE SEARCH ACTIVITY

An interesting line for further research would be to investigate the relationship between effort in house hunting, 'success' of the process and eventual satisfaction with the purchased property.
Unfortunately the data collected in this study gives only superficial evidence of the house search process, little information on the 'success' of the operation and no evidence of eventual satisfaction. The data presented below are descriptive only of some of the experiences of 54 young couples seeking their first home in South West Surrey in 1972/73.

Of the 54 couples in the sample, 43 were searching for a property to buy; the remaining 11 couples had either placed an offer on a property and were in the negotiation stage, or had completed their transactions within the past three months.

From this interview schedule it may be useful to consider the following variables as being indicative of the house search process: the 'ACTION STAGE' -

<table>
<thead>
<tr>
<th>Length of time house hunting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours per week searching</td>
</tr>
<tr>
<td>Area covered</td>
</tr>
<tr>
<td>Steps taken</td>
</tr>
<tr>
<td>Financial arrangements made</td>
</tr>
</tbody>
</table>

The respondents 'success' may be evaluated by considering the following variables - the SUCCESS STAGE:-

<table>
<thead>
<tr>
<th>Number of properties viewed, properties seriously considered and types of property viewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of properties seriously considered - reasons for no procedure</td>
</tr>
<tr>
<td>Number of offers made; why the sale fell through</td>
</tr>
<tr>
<td>Number of properties surveyed where sale has fallen through</td>
</tr>
</tbody>
</table>

As the interviews were not conducted at any particular stage in the respondents' search for a home, it is difficult to assess the effect of the 'ACTION' stage on the 'SUCCESS' stage.
ACTION STAGE The length of time that respondents had been searching is evenly distributed from less than one month to over 12 months. If the statistics are grouped more broadly, a high proportion of respondents had been searching over 3 months (61.6%) and 45% for over 6 months. It would appear from these statistics that the average time for this sample to find a suitable property in South West Surrey is greatly in excess of the national average of six weeks (ref. Charles Shea, Times Guide to Home Finding, 1971).

Most respondents spent more than five hours per week actively searching for a house. Almost 20% of the sample house-hunted for over 10 hours/week. In a more detailed study it would be necessary to consider the relationship between these two variables, that is 'search intensity', and the 'success' of the process. As this sample is small, it would be meaningless to sub-divide the existing categories. The results presented here can only be indicative of possible trends.

The area over which respondents had visited Estate Agents and had requested particulars of properties for sale, is characterised by the effect of respondents who were searching over a wide area. Only 23% of the sample had limited their search area to one or two towns, whilst 27% had selected in 3, 4 or 5 towns, and 40% were actively looking over a very wide area.

These data suggest a tendency for at least one partner to work in the Guildford area, and that respondents were searching for properties over a wide area. This is further evidence of this sample being a mobile group.

A further indication of how actively respondents were searching is consideration of the steps they had taken to find a house.
<table>
<thead>
<tr>
<th>Steps taken in search</th>
<th>No of respondents</th>
<th>% sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visited local estate agents</td>
<td>51</td>
<td>94.4</td>
</tr>
<tr>
<td>Searched local newspapers</td>
<td>45</td>
<td>83.3</td>
</tr>
<tr>
<td>Advertised in local newspapers</td>
<td>3</td>
<td>5.6</td>
</tr>
<tr>
<td>Asked friends, relatives or local people</td>
<td>29</td>
<td>53.7</td>
</tr>
<tr>
<td>Professional contacts (solicitor, mortgagor)</td>
<td>18</td>
<td>33.3</td>
</tr>
<tr>
<td>Other, e.g. investigate co-ownership schemes, apply for local authority permission to renovate condemned property</td>
<td>5</td>
<td>9.3</td>
</tr>
</tbody>
</table>

Most obviously, the advertising media were well used. Of particular interest is the high proportion of respondents (53%) who have asked friends, relatives or local people for information of properties for sale in the area.

From preliminary discussions with respondents, it seems that many house hunters claim that their main difficulty in finding a house is a lack of finance; a question was included to indicate the type of financial arrangements made during the search process:

<table>
<thead>
<tr>
<th>Financial arrangements made</th>
<th>No of respondents</th>
<th>% sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saved deposit</td>
<td>44</td>
<td>81.5</td>
</tr>
<tr>
<td>Visited Building Society Manager</td>
<td>37</td>
<td>68.5</td>
</tr>
<tr>
<td>Visited Mortgage Broker</td>
<td>28</td>
<td>51.9</td>
</tr>
<tr>
<td>Visited Local Authority</td>
<td>13</td>
<td>24.1</td>
</tr>
<tr>
<td>Contacted insurance company</td>
<td>21</td>
<td>38.9</td>
</tr>
<tr>
<td>Other e.g. contacted bank manager, professional contacts</td>
<td>11</td>
<td>20.4</td>
</tr>
</tbody>
</table>
It is curious to notice that 10 respondents say they have not saved
towards the deposit on a house, yet they were actively searching
and hoping to buy in the near future.

It is also surprising that in the critical housing market of
1972/73, only 13 couples (24.1%) had made enquiries for a mortgage
to the local authority. Yet 28 couples (51.9%) had visited a
mortgage broker, and 21 (38.9%) had made enquiries to an insurance
company. The lack of enquiries to the local authority may be
indicative of an attitude prevailing amongst this sample, which
is also shown by their non-application for local authority
housing.
CHAPTER 5  HOUSE HUNTING IN SOUTH WEST SURREY

The demographic data presented in chapter 4 indicates several biases in this sample of first-time house purchasers in south west Surrey. Consequently, it may be considered inappropriate to construct a typology of house buyers on this data. There is also sufficient evidence to suggest that it may be unrealistic to present a concise model, as respondents' motives, aspirations, strategies and degree of satisfaction cannot be rigorously classified. Most frequently, their attitudes are blurred and constantly moving. Despite these limitations, some general trends can be identified in the data which may be applicable on a wider basis.

MOTIVES FOR BUYING A HOUSE

Perhaps the most fundamental aspect of house purchase investigated as part of this study was to question respondents' motives for wanting to buy a house. Taken at face value, respondents would almost always reply 'we want a place of our own'. But further questioning revealed some of the motives underlying this sentiment.

Several respondents suggested that a change in lifestyle was the main incentive.

The most usual change in lifestyle was marriage. 31% of the sample were planning to marry within the following year. In most of these cases, the couples seemed to associate marriage with home ownership. Several couples insisted that they would postpone the date of their marriage until they were able to buy a home of their own.

Family expansion was another anticipated change in lifestyle that precipitated the decision to buy a house. In this group, two young married couples were desperate to find more suitable accommodation as the wife was pregnant. Both were currently living
in privately rented accommodation which specified 'no children'. Another couple also considered they were being forced into owner occupation, as their caravan was too small to accommodate the needs of two teenage daughters. This family had been on the local authority housing list for eight years, and only recently been offered a two bedroomed flat. In desperation, they reluctantly considered owner occupation.

Several other couples were expecting a job move into the south west Surrey area. In each of these cases, the employment opportunity was specific to this area - a University lecturer, a trainee Registrar for Surrey County Hospital and an area Sales Manager. These couples may indicate the tendency of mobility among the young professionals. These couples had a restricted choice of tenure as they were ineligible for local authority housing.

Most other couples were already renting accommodation in the area. As the majority were paying £12-£15 per week for a shared furnished flat, it is hardly surprising that most people in this group suggested that 'they didn't want to continue renting - there's no return on capital'.

Several couples in this group also felt restricted in their ability to personalise rented accommodation. Such comments as 'it isn't ever your own', 'you can't belong in rented accommodation', 'it is never a home', may suggest that people need to be able to identify themselves with their home.

The feeling of freedom associated with home ownership was suggested by one young working class couple, whose parents were both local authority tenants. They commented 'in rented accommodation you just ain't your own boss'. This fear of external control may be a very influential factor in initiating the desire for home ownership.
Several couples were specific in their desire not to rent a property, as they were considering the house as an investment. This motive was common across a wide cross-section of respondents. Of particular interest are the cases of five single men where the economic motive for house purchase was paramount. Two of these men were skilled labourers in the building trade. Both were intending to renovate an old property and sell it as soon as the work was completed. Another man, a plumber by trade, was planning a similar modernisation of a country cottage - with the intention of attracting his girlfriend to become his wife! The other two single men were both professionals who were hoping to sub-let part of their house as an investment.

Profit motivation was also the main incentive for two childless professional couples to buy a house. Their main criteria in selecting a house were features that would affect its resale value. These couples considered the house purchase process as a ladder. At each transaction, they were seeking to make a profit that would enable them to buy a more luxurious house.

In contrast, other couples described their motivation to buy a house as an investment, but in reality they were fulfilling a life-time ambition. Several of these people were local people, and most frequently employed in skilled or intermediate occupations within a ten mile radius of Guildford. Their concept of house purchase as an 'investment' was often associated with the notion of security. These couples volunteered comments such as 'if we don't buy now, we'll never afford it', or 'buying a house gives you stability' or 'it's an investment for old age', or 'it's security for us and our children'. In one case, there was obvious diversity of attitude - the female wanted security for herself and her four year old son of a previous marriage, whilst her new husband was totally indifferent to house purchase.
Another young working class couple felt themselves to be privileged as both families were council tenants. The female had recently, and unexpectedly been left a legacy. Their ulterior motive was investment as an insurance for their future security.

For many couples, pride of ownership seemed to be an important factor in their motivation to buy a house. This seemed to be particularly apparent amongst the young professionals, some of whom were undoubtedly concerned with the re-sale value of the property. For these couples, the location, the neighbourhood, the style and 'character' of the house were the important criteria in the selection of a property.

These brief studies of respondents' motives show varying attitudes towards home ownership. Such variations may be considered to be a reflection of differing philosophies of life.

MOTIVES FOR HOUSE HUNTING IN SOUTH WEST SURREY

It would appear that respondents' motives for wanting to buy a house in South West Surrey may, to some extent, be related to their life style. Three main groups can be identified: local couples, newcomers and commuters

Local couples       Twentyone couples in the sample may be considered as 'local couples'. In most of these cases both respondents were living in the south west Surrey area. To all of these couples, South west Surrey may be considered 'home territory'. Most usually they were single people, still living in the parental home. There was a marked tendency for them to be employed locally in semi-skilled, or skilled occupations, the only exception was one couple who were both teachers. There is a slight tendency for these couples to be the younger respondents in the sample. It would appear that their main motive for wanting to buy a house in South west Surrey was to enable
them to settle in their home area. Many of the couples had strong family ties, and long-standing friendships in the area. These couples felt it "their right" to be able to buy a house in their home area. Several of the couples were antagonistic towards 'the newcomers' and expressed intense feelings of social deprivation. These feelings were particularly critical for those couples who, having found difficulties in finding a suitable property, were faced with a conflict situation - was their motive to buy a house stronger than their motive to stay in the South west Surrey area? The following description outlines how several couples faced this situation:

- Mr. C, a young telephone engineer, and Miss B, a boutique assistant, were planning to marry in six months. Both were still living with their parents as local authority tenants. Their desire to buy a house was motivated by the desire 'not to end up like their parents'. Miss B also had experience of sharing accommodation, as her elder brother and wife had been unable to buy a house and had been 'lodging' in the parental home for three years.

These housing experiences had made Mr. C and Miss B very determined to buy a home of their own. However, with a joint income of only £2,000 and £200 savings, they were unable to buy a property in the Guildford area. After searching intensely for twelve months, they decided to move away from South west Surrey. Mr. C was offered a job transfer to Ipswich. The wedding was postponed until they had bought and renovated a small terraced cottage. The couple felt very bitter that, to achieve a home of their own, they had to sacrifice living in their 'home' area, leave family and friends and risk settling into a new area. For a localised couple with little previous experience of travel and mixing with new people, this may be a very disturbing time.
In contrast, Mr. T, a fireman, and Miss D, a nurse, were very
determined to stay in their home area. As they were planning to
marry two weeks after the interview, they had decided to share
accommodation with Mr. T's mother. They intended to save more
cash towards a deposit, but with a joint income of £2,500 it
seems improbable that they would be able to buy a home of their
own.

A similar situation was confronting two teachers in Cranleigh.
After their marriage, they were fortunate to find a rented flat, but
after twelve months the property was sold. The couple were forced
into lodging with the wife's parents at Shere, which was proving to
be a difficult situation. The couple desperately wanted a home of
their own: for twelve months they searched unsuccessfully in the
local area. They were advised by a local councillor to get a letter
of recommendation from the head teacher of their school which may
help them to get "priority housing" in the area. At this time, this
was not a recognised practice - yet they were advised by local
authority officials to 'try to pull strings'. After six months
they bought a small new house on a development south of Horsham.
They are thus committed to travelling much further to work - a
journey that would be impractical without a car.

These cases question the individual's right to live in the area
he chooses. In each of these cases, the couple had to sacrifice
either owning a home of their own, or living in their 'home' area.
It is hardly surprising that this group of 'local couples' were
resentful of 'the newcomers'.

The Newcomers

Without exception, the eighteen couples in the sample who may
be regarded as 'newcomers', were motivated to come to south west...
Surrey for a specific employment. Most usually they are young professionals - doctors, teachers, researchers, and sales managers. There is a marked tendency for the couples to move into privately rented accommodation, as a temporary measure, whilst searching for a house to buy. In each of these cases, the couple were married, and childless. They appear to be slightly older, and earning a joint salary of £3,500 to £4,000, which is substantially more than the 'local' couples. There is evidence that these couples were willing to search for a house within a fifteen mile radius of Guildford. This is a more extensive area than was usually considered by 'local' couples, who were rather more specific in the areas they would consider. This search strategy may be suggestive of the greater mobility of a group with more widely defined territorial limits. As this group were motivated to come to south west Surrey for specific employment, it is interesting to see how they reacted to difficulties in the housing market. The following cases illustrate these points:

Six couples in the group had recently bought a house. Without exception, these were small new town house properties in the Ash/Aldershot area. Each of these couples had started their house search in the Guildford area, and slowly extended their search area, as they became familiar with the variations in the housing market. Their attitudes reflected disappointment at not having been able to buy a property in the Guildford area, and acceptance of the style of property as being the best they could afford.

For those who were still searching, two attitudes seem to be apparent. Four couples felt that their chances of buying a property were quite good. They admitted to having moderated their expectations on price of property, location and design features. For these couples
the job motivation was still predominant. Two couples were fortunate enough to have a mortgage available. Their 'search' patterns were distinctive in that both couples bought the first property they were offered, without comparison with any other style of housing. One of these cases, a young doctor, his wife had very little knowledge of the house purchase process, and their choice of housing was conditioned by aesthetic features of the location and style of house.

In contrast, the remaining six couples in this group of newcomers were all experiencing considerable difficulty in finding a suitable property in the Guildford area. These couples had all been living in privately rented accommodation in Guildford for twelve months or more. After an intensive search, these couples were disheartened as they were unable to find a suitable property. It did not appear that they were setting their ideals too highly, but rather that there were no properties below £10,000 at this time.

Several of these couples were now considering moving away from the area, as soon as they were able to find employment elsewhere:

- Mr. J, a University lecturer, his wife and two young children had been living in a one-bedroomed flat for twelve months. They were totally despondent at the housing situation in Guildford. Their only escape was for Mr. J to accept a job as a lecturer at a Technical College in an industrial town in the north of England. Eventually they bought a three-bedroomed house on a small new development on the outskirts of the town. Their experience points to the fact that for some people, the motive to buy a house was stronger than their motive to stay in South west Surrey.

Mr. & Mrs. W, both young teachers in Guildford had similar experiences. They felt they were resolving their housing difficulties
as they had applied for teaching posts in Bracknell, where in accordance with the housing policy in new towns, accommodation was available.

A young sales manager, and his pregnant wife were also considering moving away from the Surrey area. The couple had been attracted to Guildford twelve months previously by employment prospects, but as they experienced housing difficulties, the job motivation waned.

These cases all illustrate one aspect of the employment problem in the Guildford area. Many employers were experiencing labour recruitment difficulties at this time.

The Commuters

Thirteen couples in the sample were motivated to search for a house in South west Surrey, because they liked the area. These couples were all anticipating commuting to work. Three of these couples had been in university at Guildford, and therefore had some experience of living in the area. They had obtained jobs in London, but valued living in Surrey, and were prepared to commute.

Five couples in this group were Londoners, who were hoping to live 'in the country', and commute to 'town' for their employment. Three of these couples were young, childless professionals; another couple were in their mid-forties planning to marry and have a 'nice home of their own', the other couple were unusual in that they wished to secure a mortgage on the wife's salary - but despite producing medical evidence of a hysterectomy, building societies were unforthcoming with the offer of a loan.

Five other couples were all native to South East England. They all expressed feelings of 'liking the area', because of its semi-rural character, and were prepared to commute to other parts of
South-eastern England for employment. Their employment locations covered a wide area from Reading, to Southampton, to Brighton, Crawley, Redhill and Woking. Several of the respondents in this group necessarily had to face considerable travelling as part of their job, and hence they were trying to optimise their living conditions.

**ALTERNATIVE HOUSING PLANS: JOB MOTIVATION**

Frequently whilst discussing motives for buying a house, and particularly motives for searching for a property in South west Surrey, respondents were drawn into discussing their employment opportunities. This was particularly important when they were considering alternative plans if they were unable to solve their housing problems in the Guildford area. No definitive categorisation can be suggested, as respondents were often considering several alternatives - hence there is considerable overlap between the groups. However, the responses could be broadly classified as searching a wider area, moving away from South west Surrey, renting accommodation or alternative plans.

Fourteen respondents suggested they would search over a wider area. Of these seven were 'newcomers', three were 'locals' and four were 'commuters'. It is also interesting to note that nine of fourteen couples may be considered as professionals. The preponderance of newcomers and professionals in this group is perhaps suggestive of their greater job motivation to stay in the area.

Nineteen respondents considered that the only option was to move away from the area. It is interesting that eleven of these couples were local people, only four were newcomers and two were commuters.
It is also apparent that this group contained a higher proportion of skilled workers than other groups. Eleven of these respondents were classified as skilled, one as semi-skilled and seven as professionals. This may be further evidence that the newcomers may be forcing the 'locals' away from their home area.

Nine respondents considered that renting accommodation was the only viable alternative, if they were unable to buy a house. This group consisted of three newcomers, three locals and three commuters. They are also evenly split into five skilled workers and four professionals. This rather suggests that the concept of renting cannot be attributed to any characteristic of the respondents.

It is curious to note that the alternative suggestions volunteered by two local couples were to delay the wedding, or to buy a flat - that is, alternatives that would enable them to stay in their home area; in contrast, two newcomers each suggested that emigration was the only possibility in their cases.

These cases illustrate respondents varying attitudes to buying a house in South west Surrey. Because of these difficulties, respondents were confronted with critical decisions which may affect their future life style.

SEARCH STRATEGIES

It has been suggested that for this group of first-time purchasers, a changing life style was an influential factor in their decision to buy a house. As there were few alternatives available in south west Surrey, it is not unreasonable to suggest that their motivation to buy a house was quite strong. It is however difficult to judge the intensity of their search strategy.
from data given at the time of the interview, as respondents had been searching for differing lengths of time and at various levels of intensity. Despite these limitations, three distinctive patterns are apparent: some respondents searched for a property over an extensive area, whilst others selected several towns and others localised their search in one town.

**Extensive search area**

Twenty six couples were searching over an area of eight or more towns in south west Surrey. Of these, fourteen were newcomers, three were commuters, and nine were locals. The proportion of the newcomers who were searching over a wide area is much greater than either of the other two groups. This may be considered characteristic of a group who had been attracted to the area for a specific employment opportunity.

The case of Mr. & Mrs. J. illustrates this situation clearly. Mr. J. was attracted to Guildford by a lecturing post at the University of Surrey. Mr. & Mrs. J. and their eighteen month old son moved into a privately rented first floor bedsitter in Guildford, at a rent of £10 per week. Living conditions were very cramped and unsuitable for the needs of the family. For twelve months they searched within a fifteen mile radius of Guildford, but had seen no property below their limit of £8,500. Their solution was to move away from the area.

Mr. & Mrs. B., a young local couple had similar experiences. Mr. B., a gardener, and Mrs. B., an assistant librarian, had been sharing a rented flat for two years. They too, were unable to find a property below £8,000 in a wide area of south west Surrey, consequently they were in the process of moving to Devon at the time of the interview.

Several couples in this group had been searching for periods between one or two years, and most were despondent. Several others with a
mortgage availability of £11,000 had been able to buy a house in the Ash/Aldershot/Liphook area, which necessitated a longer journey to work.

**Selected Search Area**  
Eighteen couples in the sample had selected three or four towns as their search area. In this case the group contained ten 'locals', six 'newcomers' and two 'commuters', and was evenly split between professionals, intermediate and skilled workers. The following cases illustrate some of the reasons why these respondents had selected a certain area in which to search for a property:

**Mr. & Mrs. B** - a young professional couple were hoping to buy a house in Guildford, Cranleigh or Haslemere - areas that they considered to be "pleasant".

**Mr. & Mrs. L** - both employed as technicians, were hoping to buy a house in the Guildford - Woking - Bisley - Pirbright area as both families were living in the area.

**Mr. & Mrs. T** - were both employed in Guildford - Mr. T. as a teacher, Mrs. T as a nurse. They had chosen to search for a house in the Ash, Aldershot, Farnborough area, as properties were considerably cheaper than in Guildford. They felt that it would be financially more profitable to own a home of their own, and pay for transport to work, than to continue renting a flat in Guildford.

It is interesting to note that only one couple in this group had been searching for one year. Most of the other respondents had searched for six to nine months. It may be that, as respondents became more familiar with the housing market in south west Surrey and more disillusioned at not being able to find a suitable property, respondents widen their search area. This system of "education" may be seen to be an on-going process throughout the house purchase transactions.
Localised Search Area

Six couples had restricted their search area to one town. It is interesting to note that four of these couples were 'locals', only one was a 'newcomer', and one was a 'commuter'. The 'commuters' were the only professional couple; they had specifically chosen Guildford for its accessibility to London, and the character of the town. The other couples were in skilled occupations. Two of these couples had been searching over two years; and one couple with two teenage daughters who were living in a caravan had searched intermittently for five years. All these couples were resentful of the 'newcomers' who were able to buy a house.

Although there are few cases in this group of respondents, they may be representative of a "core" of locals whose life style is rigidly defined by their occupations, family commitments and the area in which they live. This group may have set a specific area for house-hunting, and be content to compromise on their living arrangements until they are able to maximise their opportunities within the area they have chosen to live.

HOUSE PREFERENCES

When discussing housing preferences, respondents commented on the location and design features of the house they were hoping to buy.

Area preferences: Of the respondents who commented on the location of the property, twenty nine were specific in the type of area in which they wanted to live, whilst eleven respondents said they did not mind where they lived. Of the twenty nine who were specific in their area preferences, it is interesting that nineteen were 'newcomers', nine were 'locals' and one was a 'commuter'. In describing their preferences, respondents used both the positive
and negative approaches.
The positive included those respondents who were specific because of the practicalities of the situation, e.g. near station, schools, amenities, and those respondents who valued the aesthetic qualities of the location. It is interesting to note that of the eight respondents who were specific because of the area amenities, six were local couples, and only two were newcomers. In contrast, all of the ten respondents who were specific about the aesthetic qualities of the area were 'newcomers'. Without exception, they were young professionals who were looking for a property in a pleasant location, and several of them commented that they wanted their house to be in a 'good' area, to improve their social status. Those respondents who were negative in their approach to area specifications were particular that their prospective house should not be near a council estate, or in an area with a high proportion of immigrants or in a redevelopment area. These comments appear to be evenly divided amongst newcomers, locals and commuters.

In contrast, eleven couples were non-specific in their area preferences. In this group six were local couples, two were newcomers and three were commuters. The higher proportion of local couples may be indicative of their greater motivation to stay in their home area.

Design preferences Most of the respondents made some specific comments on the style of house they were hoping to buy. It is interesting that of the eleven couples who said "they did not mind what type of property they were able to buy", seven were 'locals', three were 'newcomers', and one a 'commuter'. Only three of this group - two newcomers and the commuter couple could be considered 'professional'. The apparent bias towards the skilled, locals being non-specific in their design preferences, is perhaps
suggestive that this group of locals had recognised the reality of the housing market in South west Surrey. Accordingly, they may have modified their housing aspirations.

Of those couples who commented on design specifications, twenty-four couples would not consider buying a flat. This group was evenly divided between the 'locals' and the 'newcomers', which is suggestive of a definite negative orientation towards living in a flat. No couple in the sample was positively motivated towards buying a flat.

Only three couples commented positively on the style of house they were looking for:

Mr. B, a local plasterer, was specifically looking for a bungalow as Mrs. B was confined to a wheelchair.

Mr. & Mrs. F, newcomers to Guildford, were looking for a place suitable for "a family". They felt they would need to extend a property to meet their requirements.

Dr. & Mrs. S. were very specific that they would only consider a detached house. They recognised they were fortunate in having a legacy that they were intending to use as a substantial deposit.

Of all other respondents, twenty one couples considered that they would modernise a property. Eleven of these couples were 'locals', five 'newcomers', and five 'commuters'. This is perhaps further evidence that the local couples had more fully appreciated the housing market, and the modifications they would have to make to achieve a house in this area at that time. It is also pertinent to comment that as there were only seven professionals amongst this group, the skilled workers were perhaps more motivated towards modernising a property.
In contrast, eight couples specified that the house they chose should be modern, and labour-saving. Of these, five were newcomers and three were local couples. Their reasons for this specification can be illustrated by the following two cases:

Mr. & Mrs. B. were a young professional couple whose main criteria for selecting a house was that it should be in a good, modern area, and suitable to their life style.

Mr. & Mrs. M., were a local couple both employed in skilled shift work. As they anticipated unusual working conditions, they needed to minimise the effort in house maintenance.

Several couples were specific in their design preferences in that they wanted a house "with character". Of the eight making this comment, seven were newcomers, and one a commuter. Without exception, these couples were all young professionals.

There were wide differences in their definition of a house with 'character' - for example, a country cottage and a mock Georgian estate house.

ATTITUDES TO 'HOUSE-HUNTING' IN SOUTH WEST SURREY

It is hardly surprising that an overwhelming proportion of this group of first-time house purchasers said they felt despondent. Without exception, the twenty one local couples were disillusioned about buying a house in their home area. Ten newcomers and three commuters had similar feelings.

Only nine respondents said they felt hopeful of being able to buy a house in south west Surrey. It is perhaps significant that seven of these couples were newcomers and two were commuters. Is this further evidence that, as many of the newcomers were young professionals and probably earning a higher salary, they were finding the house search process less arduous than the local couples?
In view of this finding it is rather curious that eight of the seventeen couples who suggested that they felt no social deprivation at not being able to buy a house in south west Surrey were local couples. Of the remainder, seven were newcomers and two were commuters. It is hardly surprising that more professionals than skilled workers were able to suggest that they had no feelings of social deprivation.

There is however, substantial evidence that many of this group of first-time house purchasers had strong feelings of social deprivation. Of the thirty eight couples who indicated they were bitter and resentful of those people who were able to buy a house, eighteen were local couples, twelve were newcomers and eight were commuters. The locals were bitter at not being able to stay in their home area; the newcomers despondent that they were being forced to move for a second time, and leave the incentive that originally brought them to the Guildford area; the commuters were disappointed that they were having difficulties in buying a house in the area they had chosen to live.

There is no evidence that the feelings of social deprivation are associated with occupational class, as the attitudes seem to be equally divided between the professional and skilled workers. But there is evidence to suggest that respondents feel socially deprived in varying ways and this was caused by differing circumstances. This may be illustrated by considering the cases of those respondents who were hopeful of buying a house. Of these nine couples, six had some feelings of social deprivation. An example of this is the case of a young doctor, his wife and six month old daughter. They were fortunate to have a considerable legacy - yet they felt resentful that the style of house that this would enable them to acquire would not meet their expectations, as it would have done only six months previously.
Of all the respondents who indicated some feelings of social deprivation, eighteen were most resentful of people who were home owners. This sentiment cannot be considered characteristic of a particular group of respondents, as these replies were received equally from professionals and skilled workers, from locals, newcomers and commuters. This may indicate that these potential home owners were using existing home owners as their reference group. This may be a powerful influence in the process of establishing their ideals.

No other sub-group was mentioned so specifically, but there was slight evidence to suggest that some respondents were resentful of a group whom they considered to be financially better than themselves. For instance, two skilled workers commented 'it's those Guildford capitalists that cause all the trouble for the rest of us'; in contrast several young professional couples were resentful of 'manual workers' who they considered either to be earning more than themselves, or skilled, well-paid workers living in council houses.

From the analysis of the data from this small group of potential house purchasers, there is evidence to suggest that there are differences in attitudes which appear to be associated with occupational class, and with the life style of the respondent. Further research is needed to reveal the magnitude of these differences.
This study has outlined some of the varied factors which may influence the choice of tenure. Many of these factors are subtle and may unconsciously influence the individual’s perception of forms of tenancy.

Not least among these factors is the effect of statutory legislation, which has slowly pressurised the housing market and consequently restricted the choice of tenure for many people. Since the turn of the 19th century, successive governments have accepted some responsibility for the partial control of the housing market. The extent of responsibility, the nature and degree of this control have varied with successive governments. Socially conflicting and divisive policies of the different political parties have created a 'pendulum' effect in the development of the housing market.

Differing political philosophies have influenced the administration of housing; each has emphasised the relative desirability of differing forms of tenure in a variety of ways. This has been achieved mainly through legislation controlling the allocation of land for different building purposes, the rate of building in each sector of the housing market, and the relative balance in the distribution of loans, grants, tax relief and housing subsidies. Local authority housing was initially introduced as 'housing for the working classes'. Neither political party has achieved these idealistic aims. With an increasing housing shortage in the 19th and 20th centuries, the concept of local authority housing as a social service was slowly eroded, and became no more than a 'social rescue' operation in many parts of Britain. This may be an important factor in determining peoples' attitudes to types of tenure.
All three major political parties now favour owner occupation as the major form of tenancy in Britain. The symbol of 'owner occupation' as a mark of 'honourable citizenship' has been suggested by parliamentary leaders. Perhaps the origin of this concept is rooted in the history of enfranchisement, which, for four centuries, restricted the voting power of non-freeholders.

Several social researchers have suggested that the style of house is symbolic of the social status of the occupier. In an attempt to reduce the social stigma of council housing, considerable efforts have been made in the redesign of housing estates, and types of property, to make the identification of local authority housing difficult. However, it is evident from data collected in this research that potential home owners perceive a stigma associated with local authority housing. Few of these respondents had considered local authority housing as a viable alternative to owner-occupation. For these house-hunters, the prime motivation to buy a house was because they 'want a place of their own'. Several couples, whose parents were in council tenancies, commented 'we don't want to end up like our parents'. There is slight evidence in the data to suggest that the more 'professional' respondents may have a positive motivation towards home-ownership, whilst the skilled workers interviewed had a negative motivation. These attitudes were apparent in their elicited replies:—

- 'professional' respondents were likely to suggest 'want a place of our own', or 'for investment', as their motivation for buying a house
- skilled workers were likely to reply 'don't want to share with relatives', or 'can't get a council house'.

For many people, owner occupation has become accepted as a
normative pattern of behaviour. But the owner/tenant divide is seen
to be divisive, by a lack of social communication between the groups,
in many communities in Britain. The choice of tenure may have
poignant implications for the life style of the family; its consequences
may be felt in the strength of the kin network, friendship and
socialisation within a community, and in patterns of family expenditure.
As yet there has been little research on how patterns of family
expenditure may be related to types of tenure.

This study suggests that when circumstances prevent the normal
selection of tenure process to operate, there may be far-reaching
repercussions: not least of these factors may be intense feelings of
social deprivation. Many such cases were found amongst this group
of potential house purchasers in South-west Surrey in 1972/73. There
is evidence to suggest that these feelings were not associated with
any personal characteristics of the respondents. As there are no
indications in the data that grievances were related to salary levels,
it appears that these sentiments were experienced by most first time
potential home owners in South-west Surrey at this time. From the
information given by these frustrated house-hunters, it would appear
that they were using 'home owners' as their reference group, rather
than the experiences of their family and friends.

The main reason for the dramatic change in the nature of the
housing market at this time, was the explosive rise in house prices
during the Summer and Autumn of 1972. Incomes had not risen
comparatively, with the consequence that many people who may have
previously been in the 'up grade' housing market, could not afford
to move. Intense pressure built up at the lower end of the market:
there was increasing competition for lower priced houses both from
first time purchasers and owners who needed to move. A 'panic'
situation pervaded the housing market. Publicity by the popular press did nothing to quell the storm. Several respondents commented on the personal agonies they were experiencing by being engulfed in this raging torrent - frustration was rife, and this, they said, was particularly evident in relationships between the couples, and in their attitude to work.

This market situation forced many potential purchasers to make rapid decisions in their choice of a house. But an analysis of the process of house purchase shows the complex nature of an inter-related network of negotiations. With these conditions, it is hardly surprising that the research reveals that first-time purchasers felt ill-informed about the process of house purchase; that their knowledge was fragmentary and in many cases inadequate. One could hardly postulate that these were suitable conditions in which people should make a crucial decision, and a major financial commitment, which is likely to affect their entire life style.

An additional concept that was studied as part of this research isolated the various aspects of knowledge of house purchase. It is hardly surprising that respondents' knowledge of the process and discrimination in the choice of a house, showed clear association with age, occupation, time away from parental home, intensity of the house-search activity, and professional advice sought. But an analysis of the main sources of information used by first-time purchasers provides no evidence to suggest that respondents were searching or negotiating in a logical manner. No respondents had received any formal education on house purchase, or budgeting, and few had received instruction on 'investment'. The only publication that is widely available and relatively accessible in most public libraries is the Consumer Association booklet 'The Legal Side of Buying a House' - which, as its title suggests is limited in cover.
From data presented it appears that potential purchasers do not maximise their use of professionals, or the impartial advisory services that are available. But more frequently, advice is sought from family and friends. This haphazard system of 'data collection' can only lead to fragmentary, and possibly inaccurate information. It is unfortunate, however, that there is insufficient evidence in this data to assess the use of impartial advisory services, if these were to be provided in the area.

It is difficult to assess the extent of the influence of parental home background. But it is clear that the small group of respondents whose parents were council tenants were determined in their motivation to buy a house - this was seen as the only alternative to being in a similar situation to their parents. There is some evidence to suggest that respondents' parents had higher expectations of the type of property that their children might attain. But this is not reflected in the property preferences of respondents, whose specifications were generally for small family houses. It is difficult, and probably unrealistic, due to peculiar economic circumstances, to try to assess whether these preferences were related to the parental home. Nor is there much evidence to suggest that respondents whose parents were owner-occupiers were more specific, selective or idealistic in their choice of property. There is however some disturbing evidence in the data to suggest that respondents' willingness to seek professional advice is associated with parental tenure type. This may represent the beginnings of a vicious circle of fear of using professional services, non-communication and a lack of knowledge.

From information given by this sample of first-time purchasers, it would seem that the process of searching and choosing a property to buy was a haphazard obstacle race, in which participants were mainly ill-informed floundering. The consequences of this critical
situation are likely to be far-reaching both for the people involved and for social changes in the area.

During the course of the research several estate agents remarked on the changing pattern of ownership of property in the Guildford area. Traditionally, first-time purchasers had favoured small properties on new developments on the outskirts of the town. Increasing house prices had forced this sector of the market beyond the financial limit of many first-time purchasers. This group of people had turned their interest to modernised, older properties nearer the centre of town. With further escalation of prices, many first-time purchasers found this market sector was too expensive. As a last resort, these potential home owners were buying older, unmodernised terraced cottages in the cheapest parts of town. These trends are significant from an estate agent's point of view, in that, if certain styles of house attract certain types of people, changes in the housing market situation will demand a change in selling technique. But these changes also create a changing social scene: areas that traditionally have been close-knit local working class housing are becoming a mixed social community, as the older properties are inhabited by young professionals eager to renovate decaying property. Whilst such social integration may seem theoretically desirable, the pertinent questions to consider are 'will it succeed?' or 'will the community become a group of incompatible social isolates?'.

Those potential home owners who were able to buy a house in the area at this time were undoubtedly faced with having to find a substantial deposit and to pay a higher proportion of their income on mortgage repayments. Many respondents had either taken out additional bank loans, or had loans or gifts from parents. In several cases parents had taken out second mortgages. These gifts, loans and mortgage commitments ranged from £250 to £7,000. It is hardly reasonable to suggest that parents should be committed to such heavy
expenditure for their children, after marriage. It may cause undue strain on the family home, at a time when financial commitments are usually reducing.

Many of these young couples are dependent on both husband and wife's salary. Several couples commented that 'they were afraid lest the wife become pregnant, as they couldn't maintain their financial commitments without her income'. It would seem they anticipated several years - and some could not foresee the time when they might start a family.

In addition to the expense of buying a house, and maintaining the associated financial commitments of mortgages, rates and insurance, many first-time purchasers would have additional expenses for furnishing and equipping their new home. One cannot under-rate these expenses - nor the incentive offered by a new home for such expenditure. This may lead to excessive hire purchase commitments, and increase the possibility of first-time purchasers incurring debts.

In a market situation that forces compromises from respondents' aspirations, it may be valuable to assess how 'satisfied' first-time purchasers were with their choice of a home. Little research has yet been undertaken on the nature of satisfaction with housing. If purchasers in this situation claim to be 'satisfied' is there a process of post-hoc rationalisation? If purchasers are not satisfied, will this lead to frustration and possibly frequent house moves? For those who were able to buy - perhaps unforeseen circumstances forced them to sell. In the situation where the property had been purchased at a high price the risk of the purchaser losing money on resale is high. The case is illustrated by the case of a young couple who were employed at the University. The man was appointed as a Research Fellow on a 2-year contract; his graduate wife as a departmental secretary. Their joint income was insufficient for a mortgage without a supplementary bank loan. They were forced to buy
a house quickly as they had no alternative accommodation in the area. Their decision to buy a new house was influenced by advice from building society manager and bank manager, despite their personal preference for an older property. The following calculation of the relative costs of financing the transaction, and the approximate costs of renting accommodation in the area at this time show that the couple suffered an estimated loss of £407 in 18 months.

Comparison of costs of buying and renting accommodation in Farnham September 1972 - September 1974.

Assume costs of search to be the same

<table>
<thead>
<tr>
<th>Buying costs</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surveyors fee</td>
<td>40.00</td>
</tr>
<tr>
<td>Solicitors fee</td>
<td>63.65</td>
</tr>
<tr>
<td>Stamp duty</td>
<td>10.00</td>
</tr>
<tr>
<td>Building Society Survey</td>
<td>10.00</td>
</tr>
<tr>
<td></td>
<td><strong>123.65</strong></td>
</tr>
</tbody>
</table>

Assume removal costs to be equivalent

Assume furnishing costs to be equivalent

Purchase price £10,925

Deposit on property 725.00

Mortgage loan £8,700

Interest on 21 mortgage repayments 1579.39

Bank loan £1500

Interest on 23 repayments to bank 346.48

Rates 153.16

Insurance on property 40.00
Selling costs
Agents fees 250.00
Solicitors fees 99.32
Private adverts. 20.00
Total 369.32

Total cost of buying, financing 3337.00
Allowance for tax relief 550.00

2787.00

Selling price £10,500
Outstanding loan to building society 8588.39
Outstanding loan to bank 972.48
Total repayments 9560.87

Amount in hand = selling price - total repayments

= £10,500 - £9,560.87
= £939.13

Effective buying costs = £2787.00 - £939.13
= £1847.87

Estimated renting costs = £1440.00

Estimated approximate loss on buying a property = £407.87.

This calculation has made no account for the costs of furnishing and 'improvements' that they made to their home and garden in this time - none of which could be moved to their next home. At the end of the two-year period they had no option but to move to the north of England (away from both families). This move incurred considerable expense, as it was necessary for the man to rent a bedsitter for two months in the north, whilst the wife remained in the south trying to sell their house.

For those who were unable to buy a house in the Guildford area there was little alternative to either improvising living arrangements or moving away from the area.
There is great demand in the area for the little privately rented accommodation that is available from students who are perhaps more accustomed to sharing accommodation than young couples seeking 'a home of their own'. Several couples were beginning to investigate the possibility of renting/buying a home through a housing association. But these groups are a new development in the Surrey housing market, and, as yet, there are few opportunities for this form of tenure.

Several couples commented that they would postpone their wedding date; others were considering sharing the parental home whilst they continued searching - or council housing became available. Another couple had temporarily abandoned their search for a home, and bought a caravan, in the hope of getting council housing sooner than if they were sharing with relatives. But the experience of another family in the sample may be indicative of the low priority caravan dwellers receive from the local authority housing department. This couple had been in a similar situation 12 years earlier - they bought a caravan on a site near Dorking as a temporary measure. During this 12 year period, the couple had 3 children; they had contacted the council at six monthly intervals during this time. As the children grew bigger, their cramped conditions had become intolerable, and were forced to try to make alternative arrangements. The family's income was too low to enable them to buy a house in the area - but they were perhaps fortunate in that the situation 'resolved' itself by the death of their parents.

For others unable to buy in the Guildford area there was little alternative but to move away from the area. Some were fortunate in that they were sufficiently mobile to consider moving within a 20 mile radius. But even this distance may not be really desirable. This may be illustrated by the case of two teachers in Cranleigh. After their marriage, they were fortunate to find a rented flat; but after 12 months the property was sold and they had to share with the
wife's parents at Shere. They desperately wanted a home of their own; for 12 months they searched unsuccessfully in the local area. They were advised by the local council to get a letter of recommendation from the head teacher of their school which may help to get them 'priority housing' in the area. At this time, this was not a recognised practice - yet they were advised by local authority officials to 'try to pull strings'. After six months, they considered these approaches to be unsuccessful. Eventually they bought a small new house on a development south of Horsham. They are thus committed to travelling much further to work - a journey that would be impossible without a car.

There were numerous cases in the sample where the option of commuting to work seemed the only viable alternative to the housing situation. For these couples, most were faced with additional expenses of travel, perhaps the necessity to own one or two reliable cars, and greatly increased travel time to work. The consequences of these trends are far-reaching for regional transportation planning.

For others, the option of commuting was unacceptable. The only alternative was to move away from the area. Two cases in the study clearly illustrate some of the social consequences of this trend:

- the first is the case of a young University lecturer, his wife and two young children. He took up his appointment in October 1971; the family lived in a one-bedroomed flat in a converted Victorian house in the centre of Guildford. During the following year whilst they searched the area for a suitable property to buy at a price they could afford, house prices escalated. By Christmas of 1972, they were utterly despondent, and he resigned his lecturing post. The family moved north to Workington, where the husband had
obtained a teaching job in the local technical college. Later in 1973, they bought a new semi-detached property on a small development on the outskirts of Workington.

- the second is the case of a 21-year-old telephone engineer. He and his fiancee, a nineteen-year-old shop 'manageress' planned to marry in June 1973. At the time of the interview in November 1972, both were living with their parents in council tenancies. The young engineer's brother and sister had each married several years previously and had bought their own home in the Guildford area. His fiancee's older sister and her family were sharing the family home - hopefully awaiting council accommodation. The young couple were eager to buy their own home in the local area, as their families and friends were in the Guildford area. After 12 months unsuccessfully searching for a property to buy, in March 1973 the couple decided the only way to be able to buy a home of their own was to move away from Surrey. The engineer applied for a job transfer, and in June 1973 was moved to Ipswich. The couple had postponed their wedding until September; they found a house to rent for three months. In November they moved into a small terraced house of their own which they plan to renovate. But to achieve this they had to sacrifice living in their 'home'area, leave family and friends, and risk settling into a new area. For a localised couple without previous experience of travel and mixing with new people, this may be a disturbing time.

These cases question the individual's right to live in the area he chooses. In the latter case, the situation may be considered particularly unjust, as an indigenous couple had to sacrifice living in their home area.

The implications of the trend for people to move away from the area are far-reaching. Further research is needed to quantify population movement in the area, and to isolate the most affected
groups. If the trend is for unskilled, semi and skilled labour to leave the area, many industries and services will have labour recruitment difficulties. There is evidence to suggest that vocational employment such as teaching, nursing and the police service were already experiencing these difficulties in 1972/73, as there were several articles to this effect in the local newspapers. There is no reason to suggest that the situation will become less critical in the future, as demand for clerical workers is likely to expand as the University develops, a new County hospital is in the process of construction and plans to site the new County Hall in Guildford are well established. The case of the young University lecturer moving north may be suggestive that recruitment problems are not confined to industries requiring skilled labour. These trends may have long term social and economic consequences for the area.

This study has outlined some of the factors which suggest that housing is an important variable in social research. The power of this influence has not yet been quantified, but there is sufficient evidence in the diversity of previous research to suggest that housing may be a significant factor in determining an individual's emotional state, in influencing interpersonal relationships and behaviour patterns, and in the social and economic development of a country.
APPENDIX

METHODS OF RESEARCH AND SAMPLE CHARACTERISTICS

Traditionally, housing research has been limited to investigating housing conditions which may cause "social problems" e.g. unfit dwellings, homelessness. Usually these studies have been carried out on a national basis, and have yielded only statistical information. More recently, several local studies have focussed on problems caused by rehousing and settlement of families in a new locality. Neither of these approaches are particularly appropriate to a study of the housing situation in South West Surrey. One of the main considerations of housing problems in this area is the effect of the unprecedented rise in house prices since 1970.

The repercussions of this are noticed particularly on the availability of lower priced houses. As this segment of the market is usually attractive to first time purchasers, the lack of houses available in their price range is seen to be creating a new "social problem".

As the primary objective of the research was to investigate a local housing problem, the most pertinent group for this study was to interview a sample of first-time purchasers in S.W. Surrey. The information gained would give personal descriptive data supported by individual comment and opinion. It is hoped that this study will highlight some of the problems encountered by first time purchasers in an area that is suffering escalating property prices. Their experiences may be indicative of a situation that could arise in other popular overcrowded areas, with easy access to the amenities of South Eastern England such as the rapidly developing "growth" areas of Basingstoke and Camberley.
As a preliminary to planning the research design, several authorities were contacted, to ensure that the project was not simply duplicating a well-researched and documented area. Several of these bodies expressed interest in the research project, gave opinion as to possible interpretation, and offered advice and use of library facilities. Two groups indicated that they would be interested to consider the results of the study, with a view to sponsoring further research.

**SAMPLING METHODS**

Several attempts were made to obtain a representative sample. As the study was to consider the problems of first-time purchasers in South West Surrey, it was felt necessary to contact potential purchasers who were positively looking to buy their first house in this area: a geographically based sample from the electoral roll would be a very time-consuming and inefficient way of achieving a sample. This approach would have excluded couples who were hoping to move into the area.

The project was featured in several local newspapers - Surrey Advertiser, Guildford Outlook and Cranfold Life. The press release described the aims of the research, and requested volunteers. The ten couples who responded to this appeal were used as the pilot sample.

A first attempt to obtain a representative sample was to approach the Registrar of Births, Marriages and Deaths. From the Marriage register, it was hoped to obtain the names and addresses of a representative sample of recently married couples. Unfortunately the Registrar General has recently prohibited the use of that source of confidential information. However, the local Registrar agreed to
distribute an information leaflet, and copies of the preliminary
questionnaire to young couples registering their marriage at the
Guildford office.

As there is no central register of potential purchasers, and I
could find no way of contacting a representative sample, it was
necessary to enlist the help of local people who would act as
intermediaries. They were asked to display a poster advertising the
project, and to distribute copies of the preliminary questionnaire.
The local aids approached were: local churches, health clinics,
libraries, Citizens Advice Bureaux, Guildford Borough Housing Department
and several large employers in the town. This method was also used
by most Estate Agents in Guildford, who co-operated in the project.
As expected, this proved to be the most effective way of contacting
potential purchasers. Several agents mailed a copy of the preliminary
questionnaire to their applicants.

It is recognised that the method of sample collection is
unsatisfactory, but in view of the difficulties encountered in
obtaining a representative sample, it was felt that opinions of the
selected group would give some indication of the attitudes of first
time purchasers in this area at that particular time.

There are at least two major biases in the sample:
a) the respondents all volunteered to help. It is notoriously
difficult to persuade people who do not wish to participate to
volunteer. Hence the sample suffers from a "self-selection bias".
b) all couples interviewed had made a positive step towards looking
for a house to buy in South West Surrey. Hence it excludes all those
who think or say that they would like to buy a house, but had made
no effort to find out if it would be possible. There are probably
many young couples in this group as there has been much publicity of the
rising costs of house purchase, and it is possible that only the
very determined couples were looking to buy a property. I have no estimation of how large a group may be excluded.

PRELIMINARY QUESTIONNAIRE AND RESPONSE RATE

The purpose of the preliminary questionnaire was to introduce the project to potential respondents, to ask for brief details of their house hunting activity, and for their co-operation in the main project. Five hundred copies of the preliminary questionnaire were widely distributed but only a poor response rate was achieved (67 replies - 13.2%). The low response rate is not surprising as inevitably there would be considerable wastage in the method of distributing the questionnaire. It was impossible to discover how many questionnaires were actually given out by the "local aids", which were not completed i.e. how many other first time purchasers were contacted, but who did not bother to return the preliminary questionnaire. To some extent, the response rate may reflect the local aids' ability to persuade possible respondents to fill in the form.

As it was anticipated that there would be comparatively few replies, it was considered uneconomic to distribute stamped addressed envelopes at this stage of the project. The preliminary questionnaires were either collected from the distributing source, or the "local aid" or the individual respondent mailed it to me. As the respondents had no personal contact with the researcher, or the University, it would seem reasonable to suggest that they must have felt highly motivated to participate in the study. This is confirmed by the fact that only seven replies (10.5%) were received in which the respondent did not volunteer to give further assistance. The remaining sixty respondents were contacted to arrange a convenient time for an interview. One man refused to co-operate further
as he felt that he was in an unusual situation for a first-time purchaser - he was a middle aged bachelor hoping to buy a house for himself and his mother. As a result 59 respondents were interviewed.

SAMPLE CHARACTERISTICS

Of the 59 respondents interviewed, 5 were single men who were hoping to buy a house for their sole use. The remainder of the sample were either married, engaged or couples who had the intention of living together. In these cases, the couple were interviewed together. No claim can be made that the respondents interviewed are a representative sample of first time purchasers in South West Surrey in 1972/73, because of the biases previously explained. It is only possible to study these respondents as a group, analysing the variation within that group and recognising how it may differ from the area population.

QUESTIONNAIRE AND INTERVIEW SCHEDULE DESIGN

The preliminary questionnaire was a single page giving details of the project, asking a few preceded questions on the respondents' housing specifications and requesting volunteers for the main part of the study. As the primary objective of the research was to describe the experiences of first time house purchasers, it was considered essential to interview respondents to give them opportunity to express their opinions. The interview schedule used was discussed with University research staff, and with some local people who were in frequent contact with first time purchasers - estate agents and building society managers. The interview was piloted with ten couples who volunteered to participate in the project, as a result of an appeal in the local press. For clarity, some modifications
were essential, but it was agreed that the design of the schedule, and interviewing techniques used, were generally satisfactory.

The interview schedule aimed to show respondents' aspirations, their knowledge and use of sources of information on house purchase. To achieve these aims, the interview schedule was sectioned to include information on respondents' characteristics, their housing experience, factors affecting their choice of accommodation, the steps they had taken in house hunting, their knowledge and sources of information on house purchase. As it was to be an extensive enquiry, the schedule was designed with many precoded questions. Respondents did not see the alternative answers, except in cases where it was considered that a more accurate answer would be achieved by completing the appropriate space on a card (e.g. income, in grouped data form). Probing was used if the respondent was unduly hesitant. Several cross-checks were introduced for comparison e.g. maximum price, reason for buying a house. Open ended questions were included at the end of each section, and there were several blank pages at the end of the schedule for respondents to add their opinions. In some cases, their comments were lengthy, so respondents completed this section at their leisure.

INTERVIEWING TECHNIQUE

The interviews were conducted between October 1972 and March 1973. In an attempt to obtain personal opinion, it was essential to establish a good rapport with respondents. Most of the interviews took place in the respondents' present accommodation - most usually a rented flat or bedsitter, or their parents' home. Where this was an inconvenient arrangement, respondents were invited to the
University (4 couples) or to my home (2 couples). It was not felt that the interview situation would make a significant difference to this project as to necessitate separate analysis.

The interview was scheduled for approximately one hour, but experience proved that most couples were eager to talk on their problems of house-hunting, so that the average interview time was 2 hours. This is evidence that the individual approach is extremely valuable, as the informal interview situation gives opportunity for personal experiences to add to the depth of information collected.

In the preliminary stages, the interviews with couples required information from each of them as individuals. In the latter sections, answers were accepted from either partner, as it was considered adequate for the purpose of this study, if one member were able to answer. It would prove an interesting follow-up study to discover whether male or female were more consciously aware in aspects conventionally attributed to the opposite sex, for instance, and is the male interested in design considerations, or the female familiar with the legalities and finances of house purchase?

A seemingly good rapport was established with most respondents. I would suggest the reasons for this were:

a) primarily they had volunteered to help
b) they were 'helping' with something that immediately concerned them

None of the respondents seemed to resent any of the questions. This is evidenced by the low proportion of "no information" replies. In many cases more detailed information was volunteered. Traditionally in social research, the researcher expects difficulty in obtaining personal information e.g. income. I experienced no such difficulty. I would suggest two possible reasons for this phenomenon:-

a) the respondents were so disheartened at the prospect of being
unable to buy a home of their own, that they have become irate about the situation and will readily talk about their income.
b) the respondents were mainly young people. Their attitude to money is probably very different from their parents' generation.

It is interesting to consider what motivated the respondents to participate. Although this was not a direct question in the interviews, I felt I was being used as a 'sounding board' to air their grievances. Respondents realised that the research would have no direct benefit to them, but they were so concerned about the apparent impossibility of their being able to buy a property, that they were prepared to discuss personal details. This feature was apparent throughout the interviews and does not seem to have been restricted to any particular group - e.g. age, sex, education or income.