

Ministry of Housing, Communities & Local Government

Right to Buy Sales in England: October to December 2018

Sales

In Q3 2018-19 (October to December 2018), local authorities sold an estimated 2,645 dwellings under the Right to Buy scheme. This is a decrease of 20 per cent from the 3,320 sold in the same quarter of 2017-18 (see **Table 1**). The chart below shows the quarterly sales time series from 2006-07 to 2018-19.



Receipts

- In Q3 2018-19, local authorities received approximately £230.2 million from Right to Buy sales, 13 per cent lower than the £264.3 million in the same quarter of 2017-18 (see Table 2).
- The average receipt per dwelling sold in Q3 2018-19 was £87,000. This compares to £85,600 in the same quarter of 2017-18 (see **Table 3**).

Starts on Site and Acquisitions

 There were 1,038 dwellings started on site or acquired (as part of Right to Buy replacement policy) in Q3 2018-19, 32 per cent lower than the number of dwellings started or acquired in the same quarter of 2017-18 (see Table 4a).

Housing

Statistical Release

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Introduction

This statistical release presents Official Statistics on the number of sales of dwellings under the Right to Buy scheme, as well as providing statistics on receipts resulting from those sales. It also covers the starts on site and acquisitions which are part of the one-for-one additions policy introduced in April 2012. The Right to Buy scheme allows eligible social housing tenants to buy their house at a reduced price and has been in place since 1980 (see History of the Right to Buy scheme for more detail).

These statistics relate only to sales by local authorities under the Right to Buy scheme and exclude sales by Private Registered Providers (PRPs) under preserved Right to Buy. Sales by PRPs are recorded in Social Housing Sales, see Related Statistics. Figures are collected from local authority returns to the Ministry of Housing, Communities and Local Government (MHCLG).

Right to Buy sales

In Q3 2018-19, local authorities sold 2,645 dwellings under the Right to Buy scheme. This represents a decrease of 20 per cent from the 3,320 sold in the same quarter of 2017-18.

Table 1: Quarterly Right To Buy sales, England, Q1 2006-07 to Q3 2018-19.

	Q1	Q2	Q3	Q4	Total
2006-07	4,655	4,538	4,470	4,021	17,684
2007-08	3,553	3,454	2,954	2,082	12,043
2008-09	1,286	851	455	277	2,869
2009-10	293	532	789	761	2,375
2010-11	657	689	714	698	2,758
2011-12	615	764	693	566	2,638
2012-13	442	1,041	2,011	2,450	5,944
2013-14	2,181	2,846	2,853	3,381	11,261
2014-15	2,849	2,847	3,288	3,321	12,304
2015-16	2,779	2,941	3,250	3,276	12,246
2016-17	3,389	3,255	3,470	3,313	13,427
2017-18	3,046	3,115	3,320	3,396 ^P	12,876
2018-19	2,483 ^P	2,432 P	2,645 ^P		7,560

For annual data back to 1980-81, refer to Live Table 671 at this link: https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing-sales

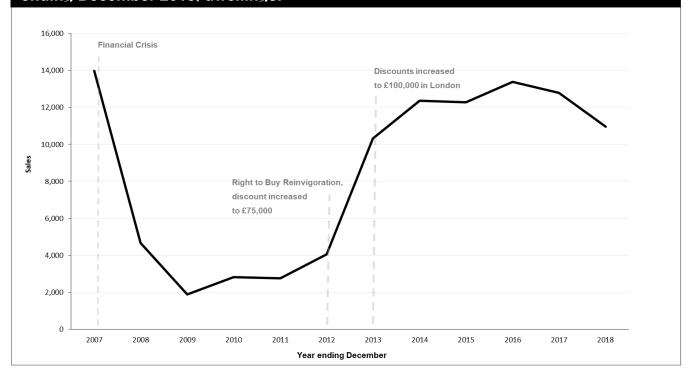
P - Provisional

Quarterly Right to Buy sales are yet to reach pre-financial crisis level. In the latest quarter, sales were 59 per cent of those in Q3 2006-07. However, the number of sales is around four times higher than in the year before reinvigoration of the Right to Buy in 1 April 2012 (see <u>History of the Right to Buy scheme</u> for further details).

To better highlight the general trend, **Chart 1** below shows the total Right to Buy sales for the rolling year ending in December. During the 12 month period to the end of December 2018 there were 10,955 Right to Buy sales. This represents 0.7 per cent of the total number of dwellings owned by local authorities, which was around 1.59 million¹ at 1 April 2018.

¹ This figure comes from Live Table 116, which is updated annually and can be found at: https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants.

Chart 1: Total Right to Buy Sales in England, year ending December 2007 to year ending December 2018, dwellings.



The chart shows a decrease in the number of sales compared to the year ending in December 2017. Historically, the number the sales considerably decreased in a period that coincided with the financial crisis, stabilised and then resurged following the Right to Buy reinvigoration from 1 April 2012. Additionally, in March 2013, the Government further increased the maximum discount available for tenants living in London boroughs to £100,000. Sales in the year ending December 2018 have now decreased back to a comparable level to those in year ending December 2013, when there was an increase in the number of sales following the Reinvigoration.

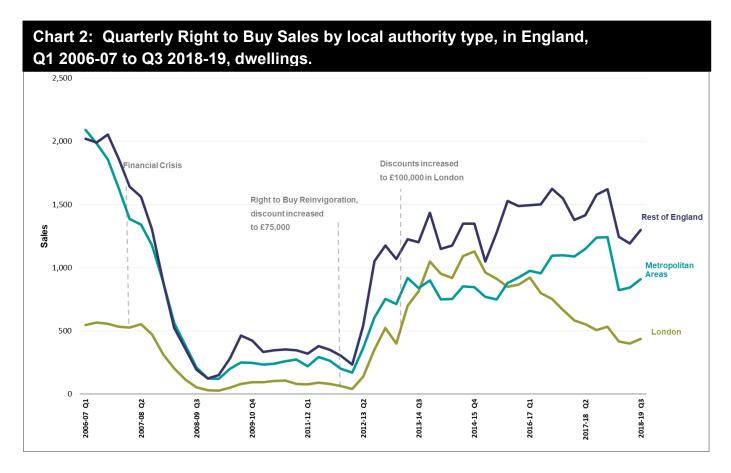
Right to Buy Sales at the sub-national level

Chart 2 summarises quarterly Right to Buy sales figures by type of local authority in England, from Q1 2006-07 to Q3 2018-19. Figures for England are broken down for London, Metropolitan areas and the rest of England (covering shire counties and unitary authorities).²

The number of Right to Buy sales in London has been on a downward trend since Q4 2013-14, differing from the Metropolitan areas which increased between Q3 2015-16 and Q4 2017-18; although this pattern has changed in recent quarters.

² The Metropolitan areas cover the six former metropolitan counties of Greater Manchester, Merseyside, South Yorkshire, Tyne and Wear, West Midlands and West Yorkshire.

Whilst sales have increased in Q3 2018-19 compared to the previous quarter, Right to Buy sales have decreased across all three local authority types when compared to the same quarter last year. Metropolitan areas experienced the largest drop in sales (a decrease of 27 per cent compared to a decrease of 20 per cent for England overall).



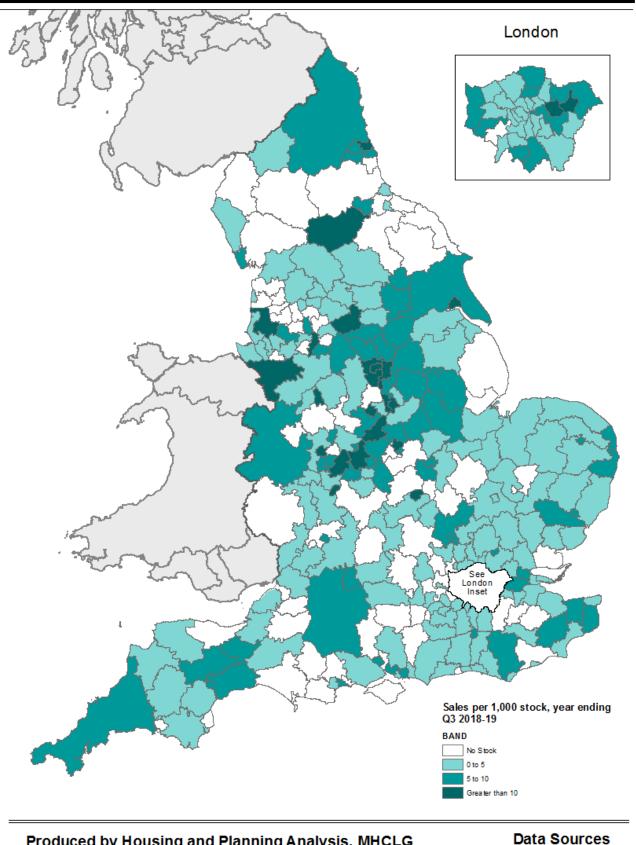
Map 1 shows the sales per 1,000 dwellings of existing local authority stock in England during 2018-19³. The non-stock holding authorities have transferred their stock to Private Registered Providers.

There has been an increase in the number of local authorities with more than five sales per 1,000 dwellings owned by local authorities, from 19 local authorities in 2012-13 to 100 local authorities in the 12 month period ending December 2018⁴

³ Figures on existing local authority stock are taken from Local Authority Stock dataset, which can be found at: https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants

⁴ Further details on Right to Buy sales statistics including data at a local authority level and footnotes are available in the Department's Live Tables. They can be found here- https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing-sales. The tables covering this topic are 116 and 691.

Map 1: Local Authority Right to Buy Sales per 1,000 dwellings of existing local authority stock, England, year ending December 2018.



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OS Boundary-Line

Right to Buy receipts

Table 2 and **Table 3** below show the quarterly Right to Buy receipts resulting from social housing sales and the quarterly average receipts per dwelling in England since Q1 2012-13.

In Q3 2018-19, local authorities in England received approximately £230.2 million from Right to Buy sales, 13 per cent lower than the £264.3 million received in the same quarter of 2017-18.

The average receipt per dwelling sold in Q3 2018-19 was £87,000, a two per cent increase from the £85,600 in the same quarter of 2017-18 (see **Table 3**)⁵. This is the highest value since the introduction of the reinvigoration policy. Receipts are sensitive to the type, size and location of the properties sold, as well as their discount percentage; and therefore the average receipt per dwelling is likely to fluctuate from quarter to quarter. This increase follows the trend in the general housing market, with average house prices increasing by 1.94 per cent between December 2017 and December 2018⁶.

Table 2: Quarter £ millions.	ly Right To Buy r	eceipts, Englan	d, Q1 2012-13 to	o Q3 2018-19,	
	Q1	Q2	Q3	Q4	Total
2012-13	24.0	61.2	125.0	157.6	367.9
2013-14	130.8	180.2	196.8	243.0	750.7
2014-15	212.4	210.5	247.5	260.6	930.9
2015-16	223.2	230.0	259.0	273.2	985.4
2016-17	285.0	279.4	292.3	271.9	1,128.7
2017-18	242.2	247.3	264.3	262.4 P	1,016.1
2018-19	209.2 P	206.2 P	230.2 P		645.6
P – Provisional					

	Q1	Q2	Q3	Q4
2012-13	54.4	58.8	62.2	64.3
2013-14	60.0	63.3	69.0	71.8
2014-15	74.5	73.9	75.3	78.5
2015-16	80.3	78.2	79.7	83.4
2016-17	84.1	85.8	84.2	82.1
2017-18	86.1	85.8	85.6	82.8 P
2018-19	84.3 P	84.8 P	87.0 P	

⁵ Further details on Right to Buy receipts statistics including data at a local authority level are available in Live Table 692 at: https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing-sales

⁶ The average house price data can be found at : https://www.gov.uk/government/publications/uk-house-price-index-summary-january-2019#access-the-data

Starts on site and acquisitions

The Government made changes to the Right to Buy scheme, increasing the maximum discounts available to public sector tenants in April 2012 (to £75,000 across England without regional differentials), in March 2013 (to £100,000 in London) and in July 2014 (with maximum discounts increasing annually, in line with the Consumer Price Index). An estimate of the expected sales without these increases to the discount cap was calculated using projections from Her Majesty's Treasury's (HMT) self-financing model. Any Right to Buy sales above these projections are considered 'additional' and are subject to the one-for-one additions policy, which is a commitment to provide an affordable dwelling for each additional Right to Buy dwelling sold. Under the Right to Buy one-for-one additions policy, local authorities have three years from the date of the sale of each additional home to provide an additional affordable property. If a local authority does not provide an additional affordable property, a proportion of the receipt is transferred to Homes England (HE) or the Greater London authority (GLA), who use these recycled Right to Buy receipts to deliver starts and acquisitions. Additional starts include acquisitions. The actual replacements are calculated from additional starts and acquisitions from Q1 2012-13 to Q3 2018-19. This is measured against the replacement target which is calculated from the cumulative additional sales from Q1 2012-13 to Q3 2015-16.

Starts on site and acquisitions are the second lowest since Q1 2016-17. There was a 32 per cent decrease in the number of starts on site and acquisitions delivered by local authorities, HE and the GLA in Q3 2018-19 in England when compared to the same quarter last year. (see **Table 4a**). For local authorities only, this decrease was also 32 per cent (see **Table 4b**).

Table 4a	Total Quarterly Right To Buy Starts on Site and Acquisitions, includ	ing
those by	HE and the GLA, England, Q1 2012-13 to Q3 2018-19, dwellings ⁷ .	

	Q1	Q2	Q3	Q4	Total
2012-13	24	130	80	340	574
2013-14	120	372	406	830	1,728
2014-15	797	733	658	1,302	3,490
2015-16	376	599	495	1,059	2,529
2016-17	812	1,325	1,122	1,679	4,938
2017-18	1,073	1,041	1,532	1,814 ^P	5,460
2018-19	937 ^P	1,196 ^P	1,038 ^P		3,171
Total					21,890

P - Provisional

⁷ Table 4a includes Starts on Site and Acquisitions by HE and the GLA using recycled receipts and therefore does not match Live Table 693.

Between Q1 2012-13 and Q3 2018-19 there were 21,890 additional affordable properties started or acquired, falling short of the three years' replacement commitment. This is measured against the replacement target 25,539 (i.e. the number of additional sales between Q1 2012-13 and Q3 2015-16).

Out of the 21,890 new starts and acquisitions, 19,978 were delivered by local authorities and 1,912 by HE and the GLA (see **Table 4b**).

	Q1	Q2	Q3	Q4	Tota
2012-13	24	130	80	340	574
2013-14	120	372	406	499	1,397
2014-15	530	542	547	840	2,459
2015-16	376	599	495	1,037	2,507
2016-17	812	1,287	1,082	1,568	4,749
2017-18	1,073	908	1,532	1,621 ^P	5,134
2018-19	931 ^P	1,189 ^P	1,038 ^P		3,158
Total					19,978

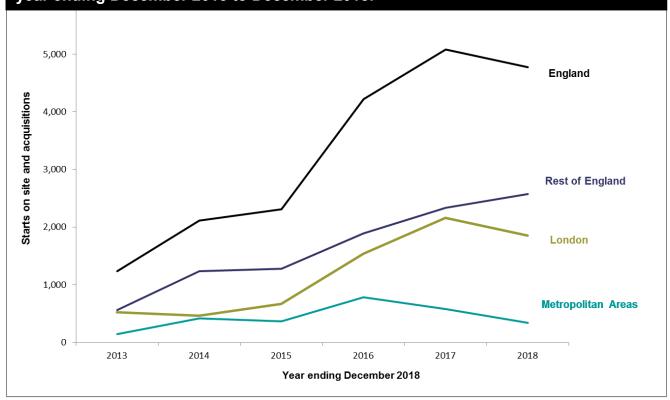
Chart 3 summarises quarterly Right to Buy starts on sites and acquisitions figures by type of local authority in England, from year ending December 2013 to year ending December 2018. This chart does not include starts on site and acquisitions delivered by HE and the GLA. Figures are broken down for London, Metropolitan Areas and the rest of England.⁹

The number of starts on site and acquisitions delivered by local authorities in England in the year ending December 2018 was 4,779 compared to 5,081 in the previous year, a decrease of 6 per cent. At sub-national level, the Rest of England continues to increase its yearly delivery of starts on site and acquisitions, despite decreases in London and the Metropolitan areas.

⁸ Table 4b includes Starts on Site and Acquisitions by local authorities only and therefore matches Live Table 693.

⁹ The Metropolitan areas cover the six former metropolitan counties of Greater Manchester, Merseyside, South Yorkshire, Tyne and Wear, West Midlands and West Yorkshire.

Chart 3: Right to Buy Starts and Acquisitions by local authority type, in England, year ending December 2013 to December 2018.



Acquisitions

Beginning with Q1 of 2017-18, local authorities were asked to split the numbers provided between new build starts and acquisitions¹⁰.

Since Q1 2017-18 a total of 8,292 dwellings have been started on site or acquired. Out of these, 7,743 have been identified as either starts on site or acquisitions.

Out of the 7,743 dwellings that have been classed as either started on site or acquired, 56 per cent (4,333 dwellings) were starts on site for new builds and 44 per cent (3,410 dwellings) were acquisitions¹¹.

¹⁰ Further details on Right to Buy starts and acquisitions statistics including data at a local authority level and footnotes are available in the Department's Live Tables. They can be found here- https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing-sales. The table covering this topic is Live Table 693.

¹¹ The proportion of acquisitions is based on data submitted on DELTA. There are often changes made to the final published supply figures in Live Table 693 as part of the data quality process. As such this figure may have discrepancies.

Accompanying Tables

Accompanying tables are available to download alongside this release. These are:

Live Table 691 Quarterly Right to Buy sales by local authority

Live Table 692 Quarterly Right to Buy receipts by local authority

Live Table 693 Quarterly starts on site and acquisitions by local authority

These tables can be accessed at:

https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing-sales

Related statistics

Quarterly Right to Buy Sales and related statistics are detailed in **Table 5**. Further information can be found in the separate statistical release for each source which can be found at the links below.

Table 5: Soc	cial Housing Sale	es and relate	d statistics	
Release	What do statis- tics show?	Frequency	Where does the data come from?	What are these figures most appropriate for?
This release: Quarterly Right to Buy MHCLG	Quarterly esti- mates of sales of Local Authority owned dwellings under Right to Buy scheme, the re- ceipts resulting from these sales and the number of starts and acquisi- tions	Quarterly (March, June, September, December)	Data provided directly by local authorities	'Leading indicator' for the Right to Buy policy. Figures provided are Local Authority Right to Buy sales, the associated receipts. The starts on site and acquisitions of the delivered replacements.
Social Housing Sales MHCLG	Annual estimates of sales for social housing stock in England. It also includes Private Registered Provider sales	Annual (November)	The Local Authority Housing Statistics (LAHS) form administered by MHCLG. The Pooling of Housing Capital Receipts return administered by MHCLG. The Statistical Data Return (SDR) from the Regulator of Social Housing (RSH). The COntinuous REcording (CORE) data collection run by MHCLG. The Investment Management System (IMS) administration system run by the HE Greater London Affordable Housing Statistics from the GLA.	These figures provide an overview of all sales of social housing stock in England. Shared ownership sales are not counted as they are treated as supply and not the sale of existing stock. These figures provide characteristics for PRP sales that have been recorded in COREsales.
Affordable housing Sup- ply MHCLG	Overall affordable housing supply (new build and acquisitions)	Annual (November)	HE and GLA data which is published every six and three months, respectively, combined with and Local Authority Housing Statis- tics Data	Provides the most complete estimate of affordable housing supply. Affordable housing figures are a subset of total housing supply.
Local Authority Housing Statistics MHCLG	Stock and condition of Local Authority owned housing, including information on rents and waiting lists	Annual (January)	Data provided directly by local authorities	Information on the stock, condition and changes to local authority owned properties.
Statistical Data Return RSH	Stock and condi- tion of Private Registered Pro- vider owned hous- ing	Annual (October)	Data provided directly by Private Registered Provid- er to the Regulator of So- cial Housing	Information on the stock, condition and changes to Private Registered Provider owned properties.
House build- ing; new build dwellings	Quarterly esti- mates of new build starts and completions	Quarterly (March, June, September, December)	Building control officers at: - National House Building Council - Local Authorities Approved Inspectors	This is a 'leading indicator' of house building, available less than 2 months after each quarter's end

MHCLG				
Housing sup- ply; net addi- tional dwell- ings MHCLG	Total housing supply that com- prises all new build, conversions, change of use, other gains/losses and demolitions	Annual (November)	Comes from local authorities outside London (Housing Flows Reconciliation Return) and for London boroughs is provided by Greater London Authority (London Development Database)	Provides an accurate assessment of annual change in all housing stock and is the most comprehensive estimate of supply.
Dwelling Stock esti- mates MHCLG	Total housing stock, split by ten- ure	Annual (May)	Overall change in stock from Net Additional Dwellings. Tenure information provided directly from Local Authorities and Housing Associations.	Provides an accurate assessment of the total size of the housing stock and how it is split by tenure

Social Housing Sales

Social Housing Sales statistics can be found at:

https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing-sales

Social Housing Sales figures may diverge from the figures in this publication due to the rolling four quarter revisions policy in the quarterly Right to Buy Sales estimates.

For annual Right to Buy Sales data back to 1980-81, refer to Live Table 671 at: https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing-sales

Local Authority Stock Data

Local Authority Stock Data can be found in Live Table 116 at: https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants

Stock data has been used to calculate the number of Right to Buy Sales per 1,000 dwellings of existing local authority stock, presented in **Map 1** in the <u>Right to Buy sales</u> section.

Private Registered Provider stock

Homes England (HE) publish annual statistics collected through its Statistical Data Return (SDR) on stock size, location, type, provider characteristics and rents relating to PRPs in England. Data from the SDR is the main source of PRP data used in the social housing sales statistics.

https://www.gov.uk/government/collections/statistical-data-return-statistical-releases

Homes England Housing Statistics

The HE publish bi-annual statistics collected through its Investment Management System (IMS) and Planning Concept Statement (PCS) returns detailing the housing starts on site and housing completions delivered by the HE.

https://www.gov.uk/government/collections/housing-statistics

Greater Local Authority Housing Statistics

The Greater London Authority (GLA) publish monthly statistics detailing the housing start on site and housing completions delivered by the GLA.

https://www.london.gov.uk/WHAT-WE-DO/housing-and-land/increasing-housing-supply/affordable-housing-statistics

Dwelling stock estimates

MHCLG also publish statistics showing the total dwelling stock in England each year and estimates of stock by local authority district and tenure. They can be found at the following link: www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants

Technical notes

Data collection and Data quality

Right to Buy Sales of local authority stock are collected through the Pooling of Housing Capital Receipts returns supplied to MHCLG by Local Authorities. This provides information at district level for all local authority council house sales as well as housing capital expenditure related to Right to Buy replacements. This is a quarterly return and is reconciled annually with figures from LAHS.

The current percentage of completed returns for the past three quarters is given in **Table 7**. From Q1 2018-19 the Pooling of Housing Capital Receipts return changed from the LOGASNet system to DELTA as part of the harmonisation of data capture systems within the Department. This change has meant that the percentage of completed returns cannot be calculated.

Table 7: Percentage of local authorities that completed returns for Right To Buy Sales, Receipts and Starts on Site and Acquisitions, Q4 2017-18 to Q3 2018-19, England.

	Percentage of the completed returns per quarter				
		Q4	Q1	Q2	Q3
Sales	Count % of total	162 98%	-	-	- -
Receipts	Count % of total	159 96%	-	- -	-
New starts and acquisitions	Count % of total	149 90%	-	-	-

Note: These figures only refer to the stock holding local authorities with stock equal or greater than 1,000. The total number of local authorities that hold social housing stock is 165.

Assessment of data quality

In 2015 the UK Statistics Authority (UKSA) published a <u>regulatory standard for the quality</u> <u>assurance of administrative data</u>. To assess the quality of the data provided for this release the department has followed that standard.

The standard is supported with an <u>Administrative Data Quality Assurance Toolkit</u> which provides useful guidance on the practices that can be adopted to assure the quality of the data they utilise.

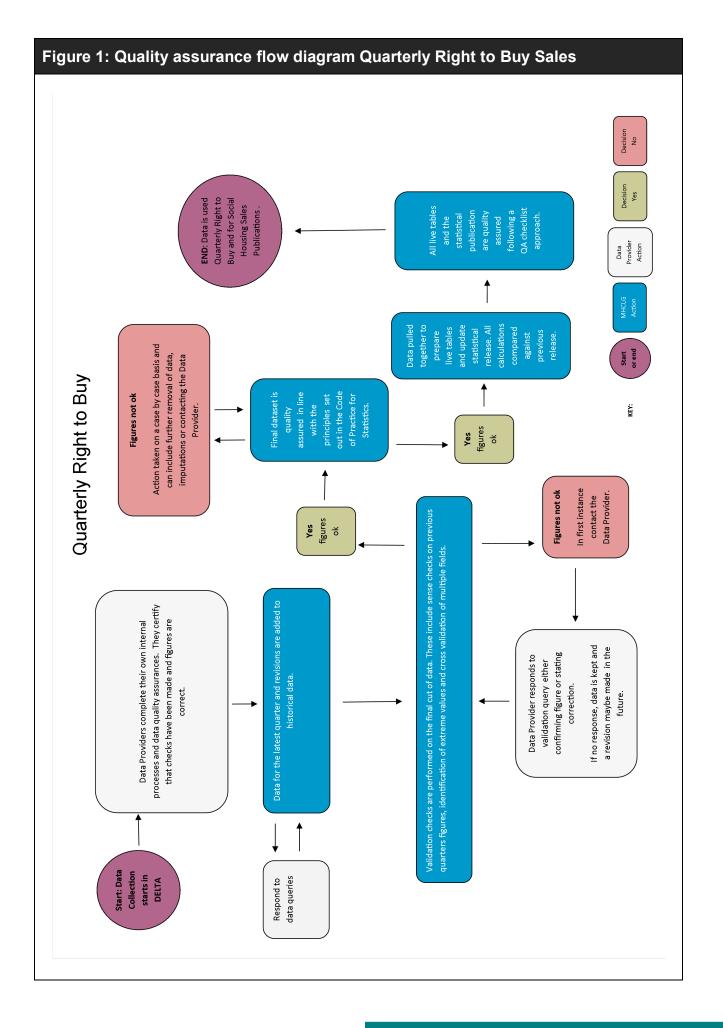
The Quarterly Right to Buy Sales statistical release is produced by MHCLG based on data provided by Local Authorities. An assessment of the level of risk based on the Quality Assurance Toolkit is as follows:

Table 6: MHCLG Right to Buy Sales sources					
Risk/Profile Matrix Statis- tical Series	Administrative Source	Data Quality Concern	Public Interest	Matrix Classification	
Right to Buy Sales Statistics	Local authorities' individual data systems.	Low	Medium	Low Risk [A2]	

The Quarterly Right to Buy Sales release can be considered as medium profile, as there has been mainstream media interest, with moderate economic and/or political sensitivity.

The data quality concern is considered low given that the data are checked by providers and is subject to data quality checks prior to publication.

Overall, the Quarterly Right to Buy Sales release has been assessed as A2: Low/Medium Risk. A full outline of the statistical production process and quality assurance carried out is provided in the flow chart in **Figure 1**. Further details are also provided against each of the four areas outlined in the Quality Assurance of Administrative Data (QAAD) Toolkit.



Operational context and administrative data collection

For Local Authority returns (Pooling of Housing Capital Receipts) the Pooling of Housing Capital Receipts figures on Local Authority Right to Buy **sales** and **receipts** are audited annually by Local Authorities and continuously quality assured by MHCLG, both of which can result in revisions. For consistency, the **sales** figures are additionally compared against those supplied through the annual LAHS return, which can result in further revisions.

The **starts on site and acquisitions** are particularly sensitive to reporting error as they are not audited in the way that sales and receipts figures are and there are no comparable statistics collected against which they can be assessed. Consultation revealed that the question the Department asks in its Pooling of Housing Capital Receipts Return about starts on site and acquisitions was interpreted in different ways by different local authorities. For example, in the past, some local authorities may have reported all starts on site and acquisitions rather than excluding those that were partially or fully funded by HE or the GLA. To address this issue, MHCLG keeps in contact with the data suppliers to ensure that there is a common understanding of what information is being supplied.

However, it is possible that interpretation of starts on site and acquisitions by local authorities may still not be uniform. We will continue to work with local authorities to improve the quality of the data and the way it is collected. In some cases the quarter in which the start is reported may be later than the actual quarter when the start actually occurred. This is caused by a delay between the start on site occurring and this being reported to us via the local authority.

To ensure the accuracy of starts on site and acquisitions figures, the department contacts local authorities with more than 20 starts on site and acquisitions, for confirmation of their figures.

Every effort is made to collect data from every Local Authority but on occasion estimates may be used (<u>see imputation</u>). Where possible revisions made in these statistics should also be made in the DELTA system, however for historic periods this may not always be possible. This may result in minor discrepancies between DELTA data and the published figures. Care should be taken using data at a Local Authority level as the totals are low and therefore can be volatile.

Communication with data supply partners

There are regular contacts with the data suppliers for this release to ensure that there is a common understanding of what information is being supplied.

Communication with suppliers is managed through a number of formats (regular contact with data providers via email or phone either during the data collection or validation checks processes).

QA principles, standards and checks by data suppliers

The Pooling of Housing Capital Receipts data is provided by Local Authorities and therefore the Department does not have full oversight of their systems and quality procedures. We provide clear guidance and documentation to them via DELTA. Data received by the Department undergoes an extensive validation and imputation process which is set out in **Figure 1**.

The data provided as part of the Pooling of Housing Capital Receipts is subject to the audit procedures of the local authority and is therefore subject to detailed checks and certification by the authority before providing data to MHCLG.

Producers' QA investigation and documentation

Whilst providers are expected to carry out their own checks before the data is submitted for this publication, further quality assurance is carried out once the data is received by the responsible statisticians for this publication (**Figure 1**).

The quality assurance process includes sense checks on previous quarters figures, identification of extreme values, cross validation of multiple fields and, if necessary, contacting the data provider for confirmation of figures.

The data, report and tables are independently quality assured by another statistician in the production team. Further final checks are performed to the final end product. These checks use a clear checklist approach to ensure the figures are consistent across the release and live tables, with each check being systematically signed off when it has been completed.

Imputation

Imputations are performed on the Pooling of Housing Capital Receipts data.

MHCLG imputes values for local authorities that did not submit data for the past four quarters. This involves replacing missing data (blank return) with a zero and highlighting the changes made in the live tables. Imputation highlighting is removed after four quarters.

Due to a change in the data collection system in Q1 2018-19 it is not possible to distinguish between a return of zero and a blank return. Since then imputations could not be identified for quarterly Right to Buy sales, receipts and starts-on-site and acquisitions. However, this does not impact on published totals.

Revisions policy

The revisions policy has been developed in accordance with the UK Statistics Authority Code of Practice for Official statistics and the Ministry of Housing, Communities and Local Government Revisions Policy (found at https://www.gov.uk/government/publications/statistical-notice-dclg-revisions-policy). There are two types of revisions that the policy covers:

Non-Scheduled Revisions

Where a substantial error has occurred as a result of the compilation, imputation or dissemination process, the statistical release, live tables and other accompanying releases will be updated with a correction notice as soon as is practical.

Scheduled Revisions

Revisions to imputed data (see <u>Data Quality</u>) will be made in the next release after this data is submitted by the local authority.

Revisions to previous quarters are made in the latest quarterly publication where there was an error or data was not previously provided. In addition, each quarter, local authorities can make revisions on the figures for the past three quarters. In this release, figures for the current and last quarters are published with a provisional status. Revised figures are highlighted in the live tables. In Q3 2018-19, 44 supplementary sales and 49 starts on sites and acquisitions have been identified through revisions of the previous three quarters (see **Table 9**).

On an annual basis, Quarterly Right to Buy **sales** figures are compared against those supplied through the annual LAHS return. When differences greater than 10 are found between the two data sources, action is taken on a case by case basis by replacing missing or existing figures with substituted values from LAHS. This involves dividing the annual figures from LAHS by four and adding this figure to each of the four quarters.

Revisions in this release

The data provided to the department by local authorities is regularly reviewed for monitoring purposes. As part of this monitoring it was noted that there were a number of local authorities reporting unusual and unexpected values. These values included cases where:

- Local authorities reported a high number of received receipts but had reported a relatively low number, or zero associated replacement sales.
- Local authorities reported a high amount of expenditure on replacements but had reported a relatively low number, or zero associated replacement starts.

Local authorities that appear to have been affected are contacted as part of the on-going statistical quality assurance. The 18 local authorities for which figures were revised are given in **Table 8**; all revisions have been highlighted in the live tables. The net change of these revisions on the live tables is summarised in **Table 9**.

Table 8: Local authorities for which figures were revised in this release.				
Ashford	Barnsley	Birmingham	Broxtowe	
Corby	Crawley	East Devon	Eastbourne	
Greenwich	Hillingdon	Lewisham	Newham	
Nottingham	Oxford	Salford	Sheffield	
Sutton	Wealden			

Table 9: Net change of revisions made in this release.			
	2017-18 Q4	2018-19 Q1	2018-19 Q2
Live Table 691 Net change in sales	18	11	15
Live Table 692 Net change in receipts (£ thousands)	2,802	1,577	978
Live Table 693 Net change in starts on site	17	3	29

Uses of the data

These statistics are used to monitor local authority Right to Buy sales and analyse the effectiveness of policy changes around Right to Buy and the housing sector.

User engagement

Users are encouraged to provide feedback on how these statistics are used and how well they meet user needs. Comments on any issues relating to this statistical release are welcomed and encouraged. Responses should be addressed to the "Public enquiries" contact given in the "Enquiries" section.

The Department's engagement strategy to meet the needs of statistics users is published here:

https://www.gov.uk/government/publications/engagement-strategy-to-meet-the-needs-of-statistics-users

Definitions

Right to Buy sales

The sales figures exclude Right to Buy (RTB) sales of dwellings which are not accounted for in a local authority's Housing Revenue Account, either because the authority, having disposed of nearly all its dwellings to a PRP, has closed down its Housing Revenue Account or because the dwelling was originally tied to a particular occupation (e.g. a school caretaker's cottage or a park keeper's cottage). The figures may also exclude any Right to Buy sales of dwellings which, although accounted for in the Housing Revenue Account, are the subject of an agreement made either under section 80B of the Local Government and Housing Act 1989 (as inserted by section 313 of the Housing and Regeneration Act 2008 and now repealed) or under section 11(6) of the Local Government Act 2003 (as inserted by section 174 of the Localism Act 2011).

The figures may include sales at less than market value of dwellings accounted for in the Housing Revenue Account to secure tenants of a local authority, even when those sales are not strictly under Right to Buy.

Proportions of dwellings

Some figures will include proportions of dwellings. This is because the figures also include sales of a shared ownership lease of a dwelling accounted for in the Housing Revenue Account where either the premium (i.e. a portion of the market value of the dwelling) paid by the purchaser exceeded 50 per cent of the market value of the dwelling or the sum of the premium paid by the purchaser and all other premiums paid up to two years before the payment of the current premium. Where a shared ownership disposal has been included, the figure corresponds to the portion of the market value paid; for example the purchase of a 50 per cent equity share will be represented by 0.5.

Right to Buy receipts

The figures include receipts arising from all sales included in the sales figures. Figures for a particular quarter may include receipts arising from a sale in another quarter, but do not include receipts arising from sales before 1 April 2012. After a portion of these receipts are reserved for costs incurred by authorities in administering the Right to Buy scheme, paying off additional local authority housing debt, an amount for authorities to use for general capital purposes, a share required by HMT, and (in a small number of cases) for buying back former council properties, the remainder of the receipts are for the funding of additional homes for affordable or social rent.

A local authority may either return this portion of the receipts to HE or the GLA for redistribution for funding these additional homes, or, if it has signed an agreement with MHCLG, retain part or all of this portion on the condition that it spends, or ensures that another body spends on its behalf, an agreed amount for this same purpose within three years.

A full list of housing statistics and English Housing Survey definitions can be found at: https://www.gov.uk/guidance/housing-statistics-and-england-housing-survey-glossary.

History of the Right to Buy scheme

The Right to Buy scheme was introduced in 1980 and gives qualifying social tenants the opportunity to buy their rented home at a discount. The scheme is open to tenants of local authorities and non-charitable PRPs, and to those assured tenants of PRPs who have transferred their homes from a local authority as part of a stock transfer. In order to qualify for the Right to Buy scheme, a social tenant must have accrued at least three years public sector tenancy. This does not need to be continuous, nor does it need to have been accrued whilst living in the tenant's current property.

In 1998 and 2003, Discount Orders reduced Right to Buy discounts across England to maximums ranging from £16,000 to £38,000 (depending on the local authority where the property was located). Prior to that, the discount cap had been £50,000 across England.

In April 2012 the DCLG changed the maximum cash discount available for Right to Buy sales to a new higher level of £75,000 across England. In March 2013, in recognition of the increasing property prices in London, the Government further increased the maximum discount available for tenants living in London boroughs to £100,000. In July 2014, DCLG changed the maximum cash discount available for the Right to Buy in order for it to increase annually in line with the Consumer Price Index (CPI) rate of inflation. The discount is currently £77,900 in England and £103,900 in London.

The Government's aim is that for every additional property sold under Right to Buy, a new affordable home for rent will be provided nationally under the one-for-one additions policy. Under the reinvigorated Right to Buy, local authorities are now able to keep the receipts from additional Right to Buy sales to pay off debt and fund additional affordable housing.

Devolved administration statistics

Data for Wales

The Welsh Government publishes information on social housing sales, which does include information on Right to Buy sales. On 26 January 2019 'Right to Buy' will be repealed for all council and housing association tenants. The latest release can be found at the following link: http://gov.wales/statistics-and-research/social-housing-sales/?lang=en

Data for Scotland

The Scottish Government publish information on social housing sales, however, from 1 August 2016 the 'Right to Buy' has been repealed for all council and housing association tenants. The last release can be found at the following link:

http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/Sales

Data for Northern Ireland

In Northern Ireland social tenants have the right to a statutory house sale, which is similar to a "Right to Buy". The latest release can be found at the following link: https://www.communities-ni.gov.uk/topics/housing-statistics

Enquiries

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Information on Official Statistics is available via the UK Statistics Authority website: http://www.statisticsauthority.gov.uk/

Information about statistics at MHCLG is available via the Department's website: https://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government/about/statistics#statistical-collections

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This document/publication is also available on our website at: www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government

If you have any enquiries regarding this document/publication, complete the form at http://forms.communities.gov.uk/ or write to us at:

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