



# Right to Buy Sales in England: April to June 2019

## Sales

- In Q1 2019-20 (April to June 2019), local authorities sold an estimated 2,313 dwellings under the Right to Buy scheme. This is a decrease of 7 per cent from the 2,485 sold in the same quarter of 2018-19 and the lowest in 6 years (see **Table 1**). The chart below shows the quarterly sales time series from Q1 2006-07 to Q1 2019-20.



## Receipts

- In Q1 2019-20, local authorities received £194.7 million from Right to Buy sales, 7 per cent lower than the £209.5 million in the same quarter of 2018-19 (see **Table 2**).
- The average receipt per dwelling sold in Q1 2019-20 was £84,200. This is similar to £84,300 in the same quarter of 2018-19 (see **Table 3**).

## Starts on Site and Acquisitions

- There were 1,290 dwellings started on site or acquired (as part of Right to Buy replacement policy) in Q1 2019-20, 38 per cent higher than the number of dwellings started or acquired in the same quarter of 2018-19 (see **Table 4a**).

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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).

## 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 secure tenants of local authorities and non-charitable PRPs, and to those assured tenants of PRPs who have transferred with 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 1999 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 Department for Communities and Local Government (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 £110,500 in London and £82,800 in the rest of England.

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.

# Right to Buy sales

In Q1 2019-20, local authorities sold 2,313 <sup>1</sup> dwellings under the Right to Buy scheme. This represents a decrease of 7 per cent from the 2,485 sold in the same quarter of 2018-19.

**Table 1: Quarterly Right to Buy sales, England, Q1 2006-07 to Q1 2019-20.**

	Q1	Q2	Q3	Q4	Total
<b>2006-07</b>	4,655	4,538	4,470	4,021	<b>17,684</b>
<b>2007-08</b>	3,553	3,454	2,954	2,082	<b>12,043</b>
<b>2008-09</b>	1,286	851	455	277	<b>2,869</b>
<b>2009-10</b>	293	532	789	761	<b>2,375</b>
<b>2010-11</b>	657	689	714	698	<b>2,758</b>
<b>2011-12</b>	615	764	693	566	<b>2,638</b>
<b>2012-13</b>	442	1,041	2,011	2,450	<b>5,944</b>
<b>2013-14</b>	2,181	2,846	2,853	3,381	<b>11,261</b>
<b>2014-15</b>	2,849	2,847	3,288	3,321	<b>12,304</b>
<b>2015-16</b>	2,779	2,941	3,250	3,276	<b>12,246</b>
<b>2016-17</b>	3,389	3,255	3,470	3,313	<b>13,427</b>
<b>2017-18</b>	3,046	3,115	3,320	3,396	<b>12,876</b>
<b>2018-19</b>	2,485	2,433	2,684	2,624 <sup>P</sup>	<b>10,225</b>
<b>2019-20</b>	2,313 <sup>P</sup>				<b>2,313</b>

For annual data back to 1980-81, refer to Live Table 678 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 half of those in Q1 2006-07. However, the number of sales is four times higher than in Q4 2011-12, the quarter preceding the Reinvigoration.

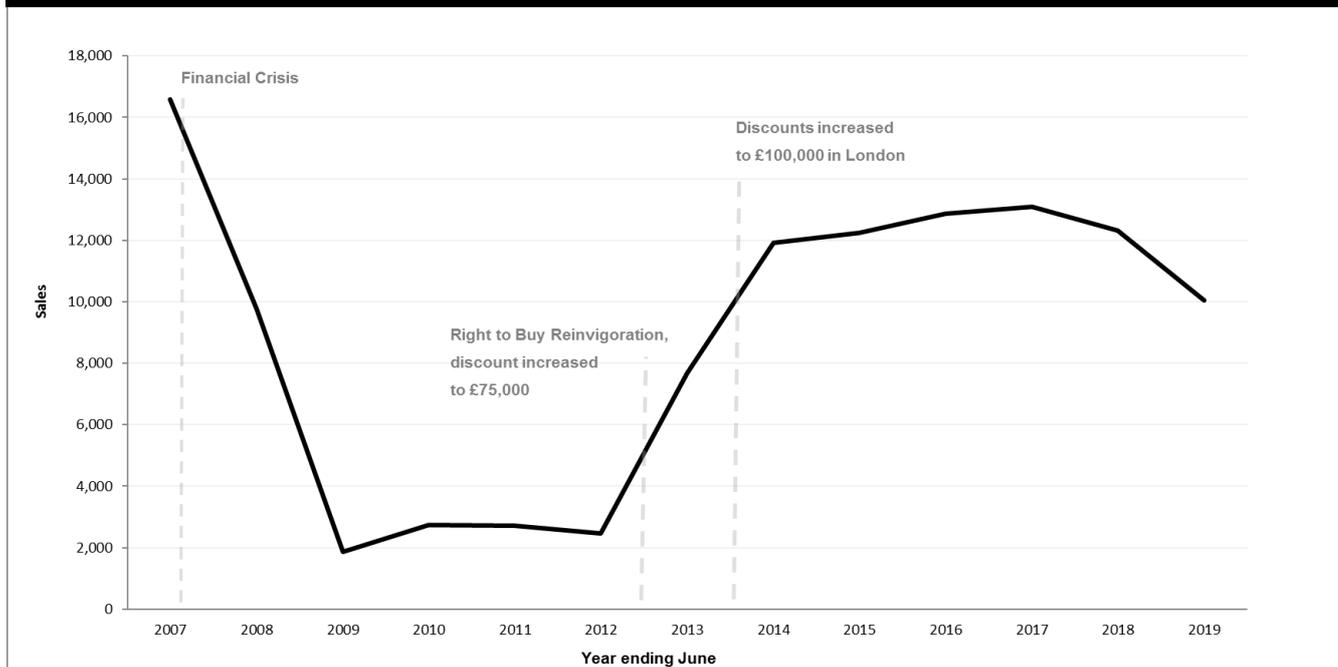
To better highlight the general trend, **Chart 1** below shows total Right to Buy sales for the rolling year ending in June 2019. During the 12-month period to the end of June 2019 there were 10,053 Right to Buy sales. This represents 0.6 per cent of the total number of dwellings owned by local authorities, which was around 1.59 million<sup>2</sup> at 1 April 2018.

<sup>1</sup> Sales figures are rounded and therefore there are minor discrepancies between the totals in the text and the sum of the corresponding figures in Table 1.

<sup>2</sup> 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: Annual Right to Buy Sales in England, year ending June 2006 to year ending June 2019, dwellings.**



Partly as a result of the financial crisis, Right to Buy sales decreased between the years ending June 2006 and June 2009.

Sales began to increase again after reinvigoration in April 2012 (when discount were increased to £75,000 across England without regional differentials) and continued to increase when in March 2013 there were further increases to the discounts (to £100,000 in London). Since 2017, there has been a downward trend in the number of local authority owned dwellings sold to social tenants, with sales in the year ending June 2019 reaching the lowest annual figure since the year ending June 2013 (the year when the reinvigoration was introduced).

## 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 Q1 2019-20. Figures for England are broken down for London, Metropolitan areas and the rest of England (covering shire counties and unitary authorities).<sup>3</sup>

The pattern of sales varies between local authority type. Across local authority types, sales followed an upward trend immediately after the reinvigoration.

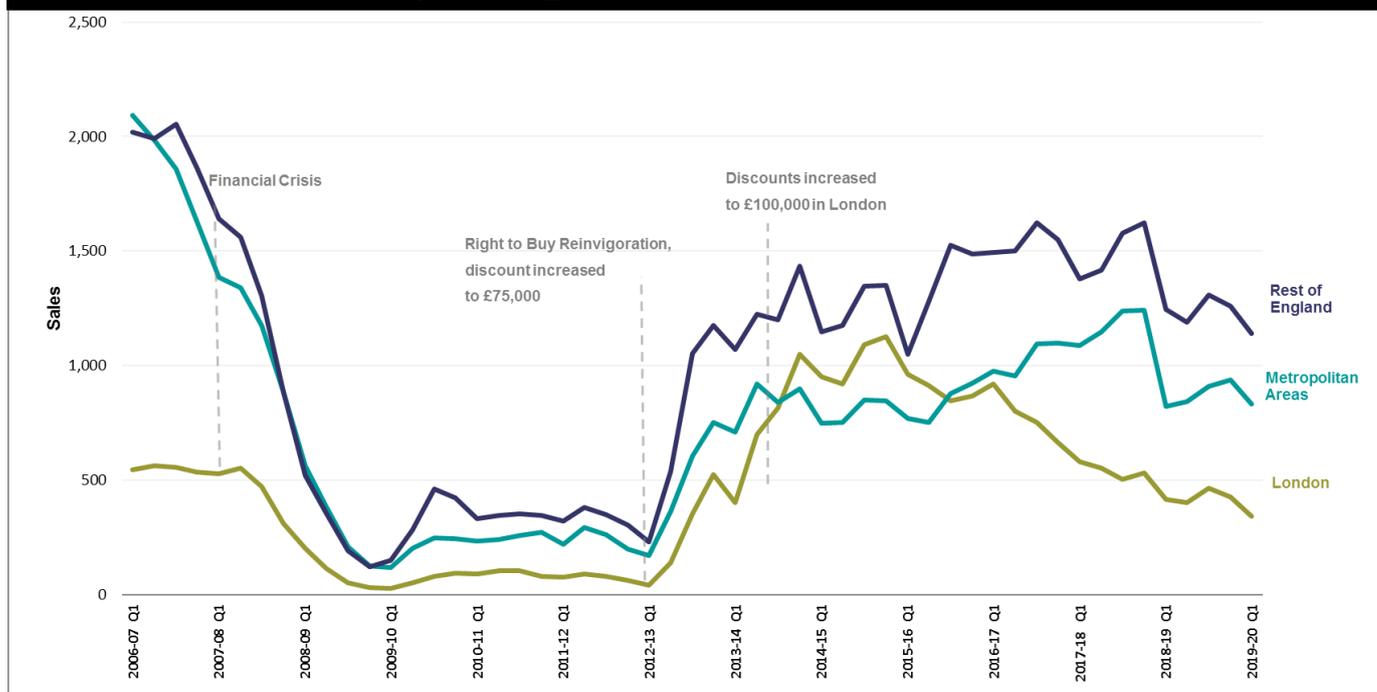
In London, following this period of growth, the number of Right to Buy sales started to decline in Q4 2014-15 reaching a post-reinvigoration low point in the latest quarter. Despite this

<sup>3</sup> The Metropolitan areas cover the six former metropolitan counties of Greater Manchester, Merseyside, South Yorkshire, Tyne and Wear, West Midlands and West Yorkshire.

decrease, the number of sales in London is broadly similar to the number of sales from the quarter before the maximum discounts were increased in Q2 2013-14.

Right to Buy sales in Metropolitan areas and the Rest of England continued to increase after the reinvigoration, peaking in Q4 2017-18 and have decreased in the more recent quarters.

**Chart 2: Quarterly Right to Buy Sales by local authority type, in England, Q1 2006-07 to Q1 2019-20, dwellings.**



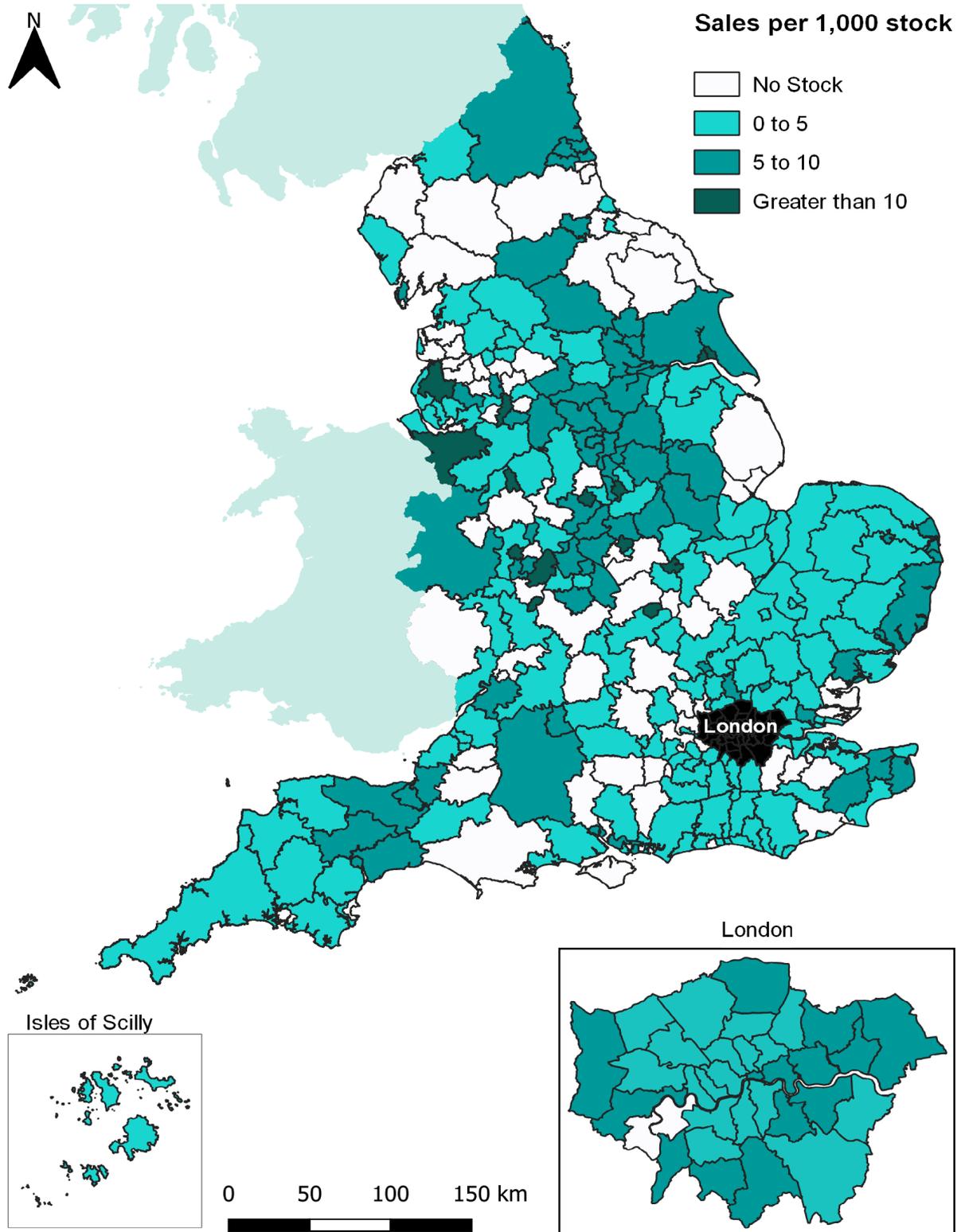
**Map 1** shows the sales per 1,000 dwellings of existing local authority stock in England during 2019-20<sup>4</sup>. The non-stock holding authorities have transferred their stock to Private Registered Providers.

There were 96 local authorities with more than five sales per 1,000 owned dwellings in the 12-month period ending June 2019<sup>5</sup>.

<sup>4</sup> 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>

<sup>5</sup> 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 June 2019.**



Produced by Housing and Planning Analysis Division, MHCLG

Data Source

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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 Q1 2019-20, local authorities in England received £194.7 million from Right to Buy sales, 7 per cent lower than the £209.5 million received in the same quarter of 2018-19. This reflects the general pattern in the number of sales.

The average receipt per dwelling sold in Q1 2019-20 was £84,200, similar to the £84,300 in the same quarter of 2018-19, and similar to Q1 values in three out of four of the last financial years (see **Table 3**)<sup>6</sup>. 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.

**Table 2: Quarterly Right to Buy receipts, England, Q1 2012-13 to Q1 2019-20, £ millions.**

	Q1	Q2	Q3	Q4	Total
<b>2012-13</b>	24.0	61.2	125.0	157.6	<b>367.9</b>
<b>2013-14</b>	130.8	180.2	196.8	243.0	<b>750.7</b>
<b>2014-15</b>	212.4	210.5	247.5	260.6	<b>930.9</b>
<b>2015-16</b>	223.2	230.0	259.0	273.2	<b>985.4</b>
<b>2016-17</b>	285.0	279.4	292.3	271.9	<b>1,128.7</b>
<b>2017-18</b>	242.2	247.3	264.3	262.4	<b>1,016.1</b>
<b>2018-19</b>	209.5	206.4	238.7	223.8 <sup>P</sup>	<b>878.4</b>
<b>2019-20</b>	194.7 <sup>P</sup>				<b>194.7</b>

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**Table 3: Quarterly average receipts per dwelling, England, Q1 2012-13 to Q1 2019-20, £ thousands.**

	Q1	Q2	Q3	Q4
<b>2012-13</b>	54.4	58.8	62.2	64.3
<b>2013-14</b>	60.0	63.3	69.0	71.8
<b>2014-15</b>	74.5	73.9	75.3	78.5
<b>2015-16</b>	80.3	78.2	79.7	83.4
<b>2016-17</b>	84.1	85.8	84.2	82.1
<b>2017-18</b>	86.1	85.8	85.6	82.8
<b>2018-19</b>	84.3	84.8	88.9	85.3 <sup>P</sup>
<b>2019-20</b>	84.2 <sup>P</sup>			

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<sup>6</sup> 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>

## 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 Q1 2019-20. This is measured against the replacement target which is calculated from the cumulative additional sales from Q1 2012-13 to Q1 2016-17.

In Q1 2019-20, there were 1,290 starts on site and acquisitions. Although Q1 starts on site and acquisitions are usually low, in 2019-20 this was the highest figure recorded in any Q1 since these data has been recorded in 2012-13 (see **Table 4a**). A similar pattern holds for local authorities only (see **Table 4b**).

**Table 4a: Total Quarterly Right to Buy Starts on Site and Acquisitions, including those by HE and the GLA, England, Q1 2012-13 to Q1 2019-20, dwellings<sup>7</sup>.**

	Q1	Q2	Q3	Q4	Total
<b>2012-13</b>	24	130	80	340	<b>574</b>
<b>2013-14</b>	120	372	406	830	<b>1,728</b>
<b>2014-15</b>	797	733	658	1,302	<b>3,490</b>
<b>2015-16</b>	376	599	495	1,059	<b>2,529</b>
<b>2016-17</b>	812	1,300	1,147	1,679	<b>4,938</b>
<b>2017-18</b>	1,153	961	1,544	1,802	<b>5,460</b>
<b>2018-19</b>	942	1,257	1,137	1,859 <sup>P</sup>	<b>5,195</b>
<b>2019-20</b>	1,290 <sup>P</sup>				<b>1,290</b>
<b>Total</b>					<b>25,204</b>

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<sup>7</sup> 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 Q1 2019-20 there were 25,204 additional affordable properties started or acquired, falling short of the three years' replacement commitment. This is measured against the replacement target 30,276 (i.e. the number of additional sales between Q1 2012-13 and Q1 2016-17).

Out of the 25,204 new starts and acquisitions, 23,010 were delivered by local authorities and 2,194 by HE and the GLA (see **Table 4b**).

**Table 4b: Quarterly Right to Buy Starts on Site and Acquisitions by local authorities, England, Q1 2012-13 to Q1 2019-20, dwellings.<sup>8</sup>**

	Q1	Q2	Q3	Q4	Total
<b>2012-13</b>	24	130	80	340	<b>574</b>
<b>2013-14</b>	120	372	406	499	<b>1,397</b>
<b>2014-15</b>	530	542	547	840	<b>2,459</b>
<b>2015-16</b>	376	599	495	1,037	<b>2,507</b>
<b>2016-17</b>	812	1,287	1,082	1,568	<b>4,749</b>
<b>2017-18</b>	1,073	908	1,532	1,621	<b>5,134</b>
<b>2018-19</b>	932	1,222	1,111	1,635	<b>4,900</b>
<b>2019-20</b>	1,290 <sup>P</sup>				<b>1,290</b>
<b>Total</b>					<b>23,010</b>

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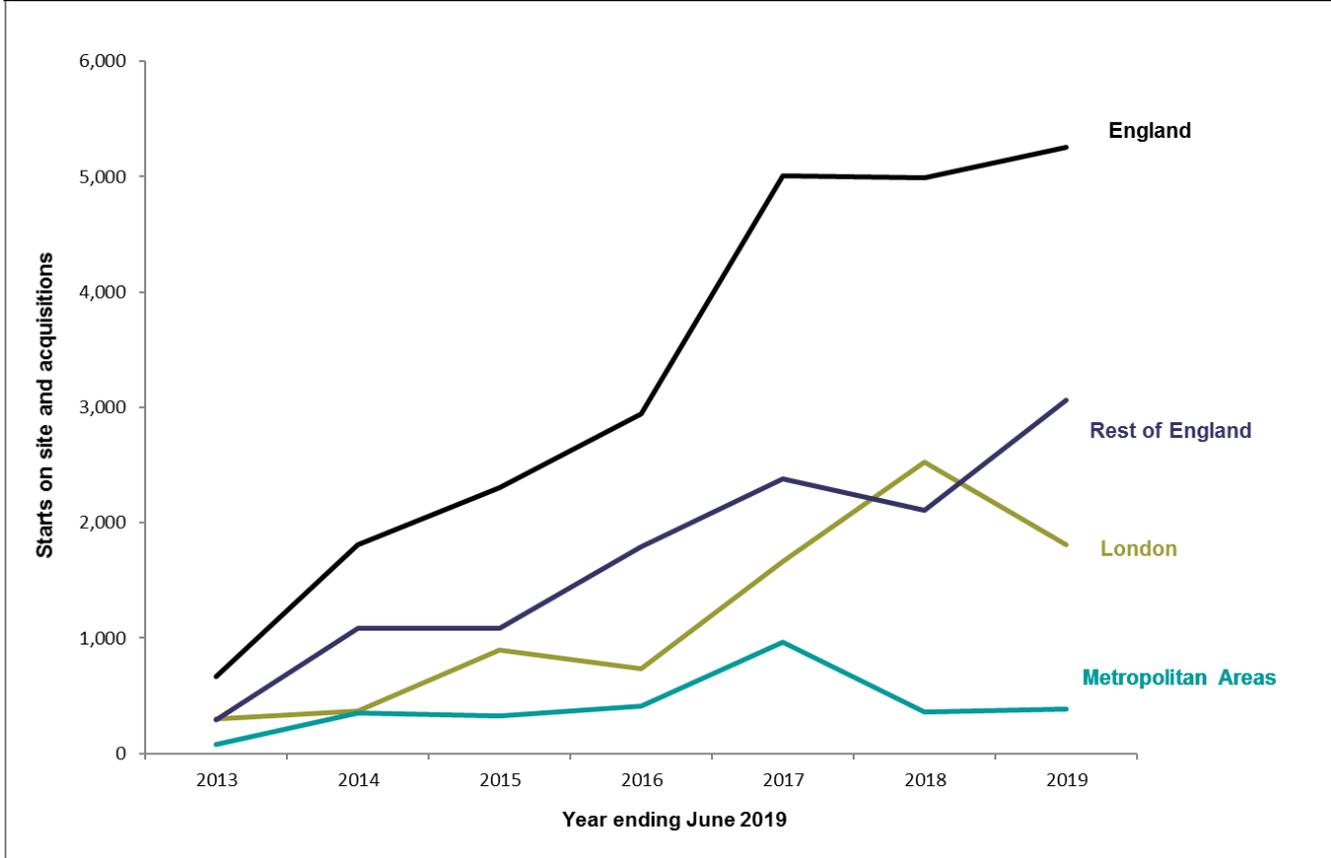
**Chart 3** summarises quarterly Right to Buy starts on sites and acquisitions figures by type of local authority in England, from year ending June 2013 to year ending June 2019. This chart does not include starts on site and acquisitions delivered by HE and the GLA. Figures are broken down for London, Metropolitan Areas and the rest of England.<sup>9</sup>

The number of starts on site and acquisitions delivered by local authorities in England in the year ending June 2019 was 5,258 compared to 4,993 in the previous year, an increase of 5 per cent. At sub-national level, the Rest of England and Metropolitan areas continue to increase their yearly delivery of starts on site and acquisitions, despite decreases in London. In the year ending June 2019, London's delivery of starts on site and acquisitions went down by 28 per cent compared to the year ending June 2018.

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

<sup>9</sup> 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 June 2013 to June 2019.**



## Acquisitions

Beginning with Q1 of 2017-18, local authorities were asked to split the numbers provided between new build starts and acquisitions<sup>10</sup>.

Since Q1 2017-18 a total of 11,324 dwellings have been started on site or acquired by local authorities, from recycled Right to Buy receipts. Of these, 5,871 (55 per cent) were identified as starts on site for new builds and 4,884 (45 per cent) as acquisitions<sup>11</sup>.

<sup>10</sup> 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.

<sup>11</sup> For the remaining 569 units it was not specified if the unit was a start on site or an acquisition.

# 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.

<b>Table 5: Social Housing Sales and related statistics</b>				
<b>Release</b>	<b>What do statistics show?</b>	<b>Frequency</b>	<b>Where does the data come from?</b>	<b>What are these figures most appropriate for?</b>
<b>This release:</b> <b>Quarterly Right to Buy</b> <b>MHCLG</b>	Quarterly estimates of sales of Local Authority owned dwellings under Right to Buy scheme, the receipts resulting from these sales and the number of starts and acquisitions	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.
<b>Social Housing Sales</b> <b>MHCLG</b>	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.
<b>Affordable housing Supply</b> <b>MHCLG</b>	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 Statistics Data	Provides the most complete estimate of affordable housing supply. Affordable housing figures are a subset of total housing supply.
<b>Local Authority Housing Statistics</b> <b>MHCLG</b>	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.
<b>Statistical Data Return</b> <b>RSH</b>	Stock and condition of Private Registered Provider owned housing	Annual (October)	Data provided directly by Private Registered Provider to the Regulator of Social Housing	Information on the stock, condition and changes to Private Registered Provider owned properties.
<b>House building; new build dwellings</b>	Quarterly estimates 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

<b>MHCLG</b>				
<b>Housing supply; net additional dwellings</b> <b>MHCLG</b>	Total housing supply that comprises 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.
<b>Dwelling Stock estimates</b> <b>MHCLG</b>	Total housing stock, split by tenure	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 [Right to Buy sales](#) section.

## Private Registered Provider stock

Regulator of Social Housing (RSH) 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 publishes 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](http://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 figures presented in this release were from a point-in-time snapshot of the data captured at 22/08/2019 from DELTA data collection system.

### Assessment of data quality

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

The standard is supported with an [Administrative Data Quality Assurance Toolkit](#) 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 <b>Statistical Series</b>	Administrative Source	Data Quality Concern	Public Interest	Matrix Classification
Right to Buy Sales Statistics	Local authorities' individual data systems.	Low	Medium	Low Risk [A2]

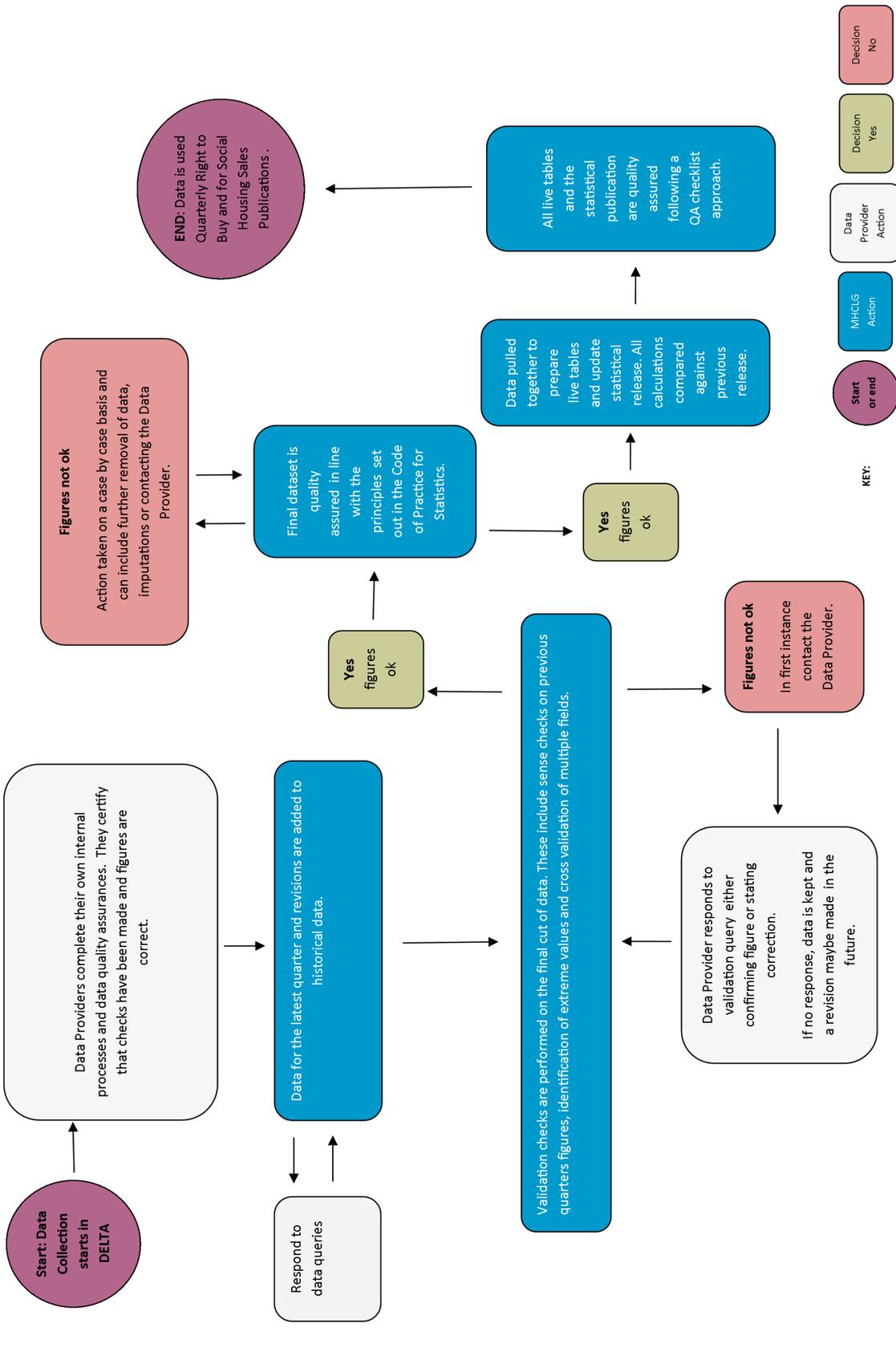
The Quarterly Right to Buy Sales release can be considered as medium profile, as there has been mainstream media interest, with moderate economic and/or political sensitivity.

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.

Figure 1: Quality assurance flow diagram Quarterly Right to Buy Sales

# Quarterly Right to Buy



## **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 ([see imputation](#)). 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 several 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 no longer performed on the Pooling of Housing Capital Receipts data. Back up to Q4 2017-18, MHCLG imputed values for local authorities that did not submit data for the past four quarters. This involved replacing missing data (blank return) with a zero and highlighting the changes made in the live tables. Imputation highlighting was 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

From this release there is a new scheduled revisions policy.

Revisions to the latest quarter will be made in the next release after this data is submitted by the local authority.

Where there was an error or data was not previously provided, revisions to any previous historical quarters will be made in the June quarterly publication. In this release, figures for the current and previous quarter are published with a provisional status. Previous revised figures are highlighted in the live tables. In Q1 2019-20, 12 supplementary sales and 229 starts on sites and acquisitions have been identified through revisions of the previous quarter (see **Table 9**).

From this release annual sales tables from Social Housing Sales will be updated in the June release which covers the whole financial year data. Among the tables that will be updated is Live Table 678 which contains all sales of social housing, including Right to Buy sales.

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 several 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 33 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.**

Ashfield	Darlington	Dacorum	Lambeth	North Tyneside	South Cambridgeshire	Wiltshire
Ashford	Derby	Enfield	Leicester	Northampton	South Derbyshire	Waveney
Chesterfield	Doncaster	Great Yarmouth	Luton	Redditch	South Tyneside	West Lancashire
Cornwall	Dudley	Greenwich	Mid Devon	Rotherham	Southwark	
Croydon	Eastbourne	Hammersmith and Fulham	New Forest	Sandwell	Swindon	

**Table 9: Net change of revisions made in this release.**

	<b>2018-19 Q4</b>
<b>Live Table 691 Net change in sales</b>	12
<b>Live Table 692 Net change in receipts (£ thousands)</b>	4,183
<b>Live Table 693 Net change in starts on site</b>	229

## 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 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>.

## 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>

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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:  
<https://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government>

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