



Department for
Communities and
Local Government

Right to Buy Sales in England: April to June 2016

Sales

- In April to June 2016-17 (Q1), local authorities sold an estimated 3,362 dwellings under the Right to Buy scheme. This is an increase of 21% from the 2,779 sold in the same quarter of 2015-16 (see [Table 1](#)).
- Local authorities in London sold an estimated 922 dwellings under the Right to Buy scheme in April to June 2016-17 (Q1). This is a decrease of 4% from the 962 sold in the same quarter of 2015-16.
- Local authorities in London accounted for 27% of sales in 2016-17 Q1; 8 percentage points lower than the 35% recorded in the same quarter of 2015-16 (see [Chart 1](#)).

Receipts

- In 2016-17 Q1 local authorities received approximately £282.9 million from Right to Buy sales, 27% higher than the £223.2 million in the same quarter of 2015-16 (see [Table 2](#)).
- The average receipt per dwelling sold in 2016-17 Q1 was £84,000, this compares to £80,000 in the same quarter of 2015-16 (see [Table 3](#)).

Housing Statistical Release

22 September 2016

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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 and starts on site and acquisitions as part of the one-for-one additions policy. 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 Department for Communities and Local Government (DCLG).

Right to Buy sales

There was a downward trend in Right to Buy sales in the late-2000s, and the number of sales decreased greatly between 2006-07 and 2009-10 (caused mainly by the financial crisis). Right to Buy sales were relatively stable between 2009-10 and 2011-12.

The increase in Right to Buy sales since 2011-12 is partly due to the increased discounts available to local authority tenants from 1st April 2012 and the reduced effects of the financial crisis. Additionally, in March 2013 the Government further increased the maximum discount available for tenants living in London boroughs to £100,000 (see [History of the Right to Buy scheme](#) for further details).

Table 1: Quarterly Right To Buy sales, England, 2007-08 Q1 to 2016-17 Q1

	Q1	Q2	Q3	Q4	Total
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	3,362				3,362

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>

- In April to June 2016-17 (Q1), local authorities sold an estimated 3,362 dwellings under the Right to Buy scheme. This is an increase of 21% compared to the 2,779 dwellings sold in the same quarter of 2015-16.
- Local authorities in London sold an estimated 922 dwellings under the Right to Buy scheme in April to June 2016-17 (Q1). This is a decrease of 4% from the 962 sold in the same quarter of 2015-16.
- Local authorities in London accounted for 27% of sales in 2016-17 (Q1); 8 percentage points lower than the 35% recorded in the same quarter of 2015-16.
- Right to Buy sales are yet to reach the level they were before the financial crisis. Sales in 2016-17 Q1 were 72% of those in 2006-07 Q1.

Chart 1: Quarterly Right to Buy Sales by local authority type, England, 2006-07 Q1 to 2016-17 Q1

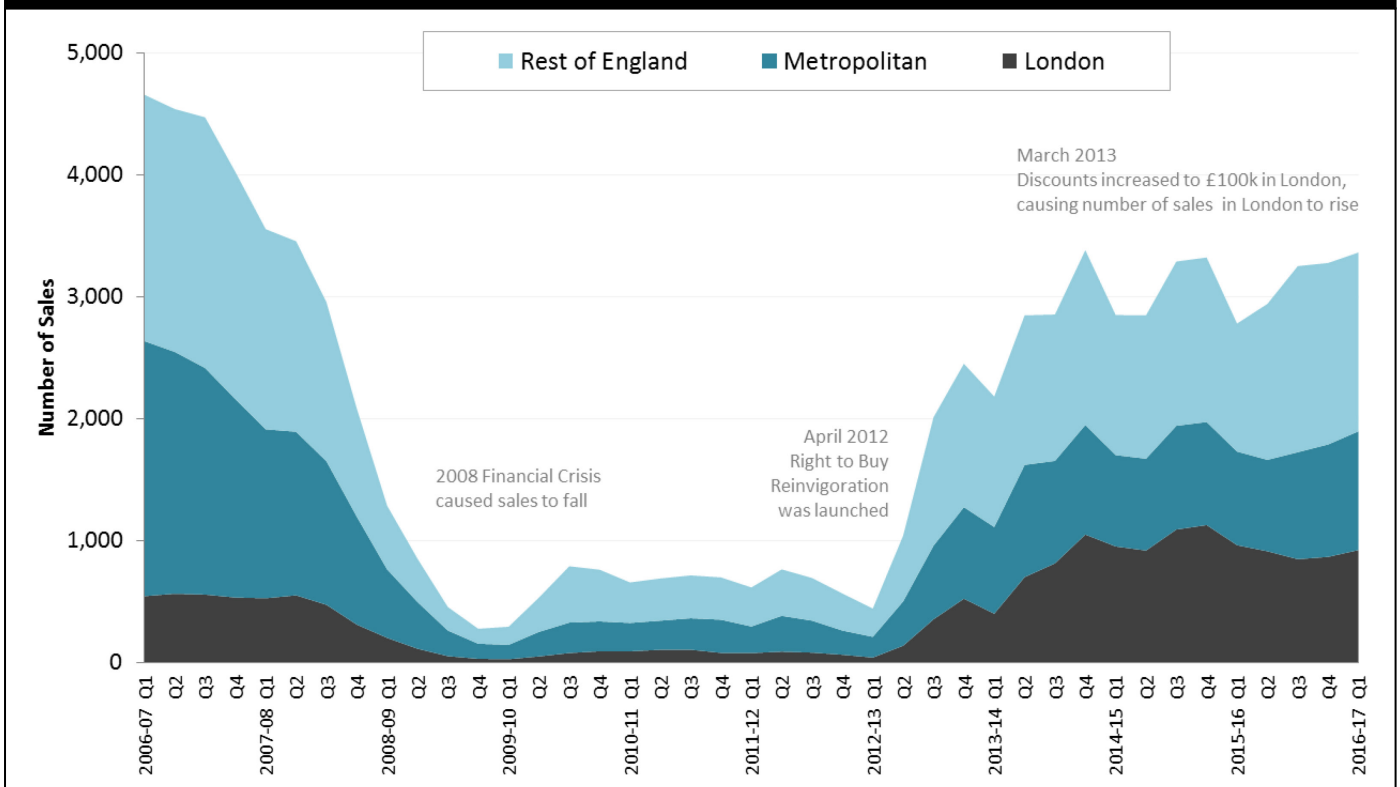
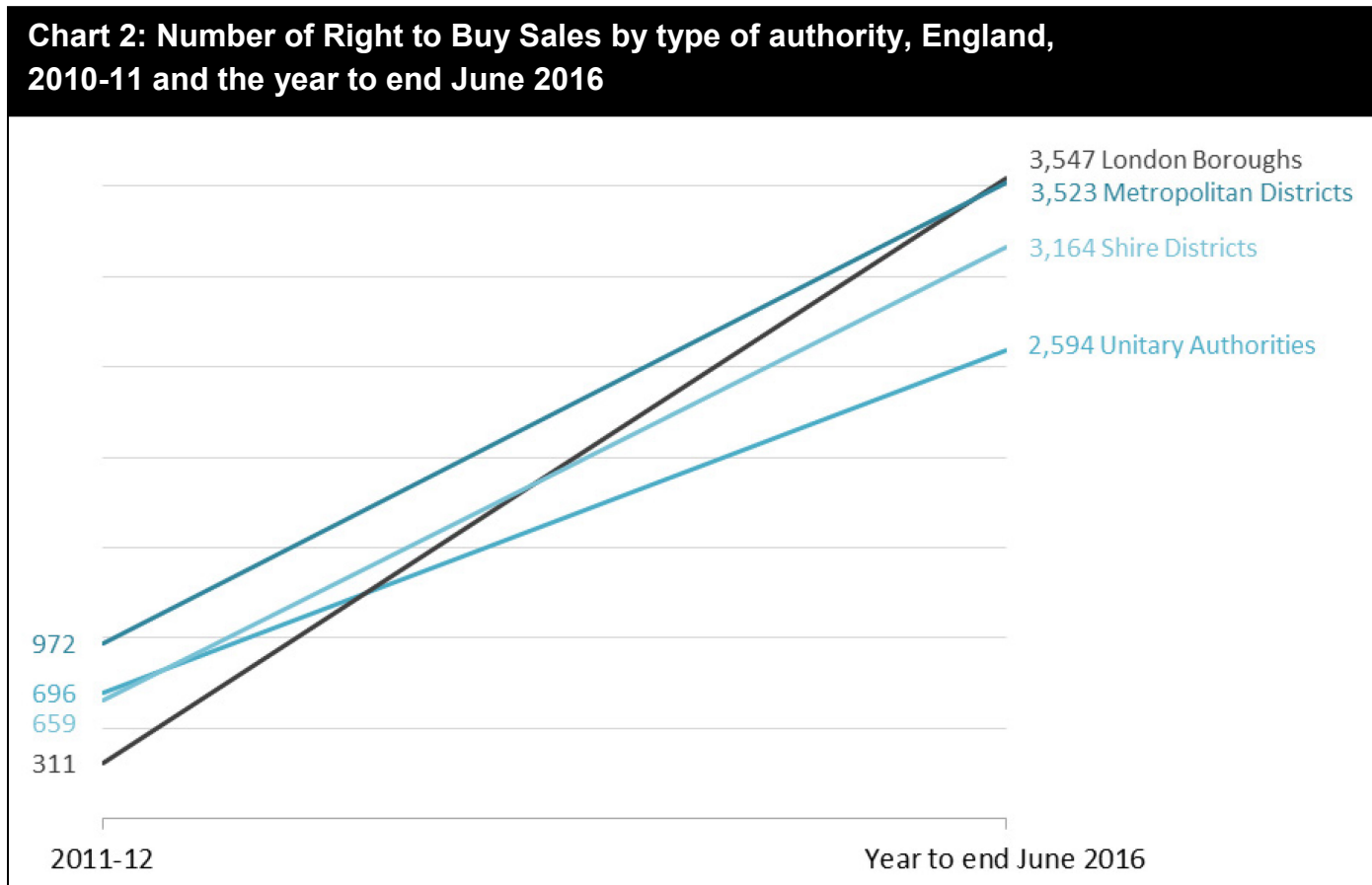


Chart 2 shows the annual number of sales, by type of local authority in England, in 2011-12 (pre-Reinvigoration) and during the year to end June 2016. The chart highlights the large growth in the number of sales due to Reinvigoration, particularly in London Boroughs. The London Boroughs, which had the lowest number of sales before the reinvigoration (311 in 2010-2011), had the highest number of sales in the 12 month period to the end of Q1 2016-17 with 3,547 sales.



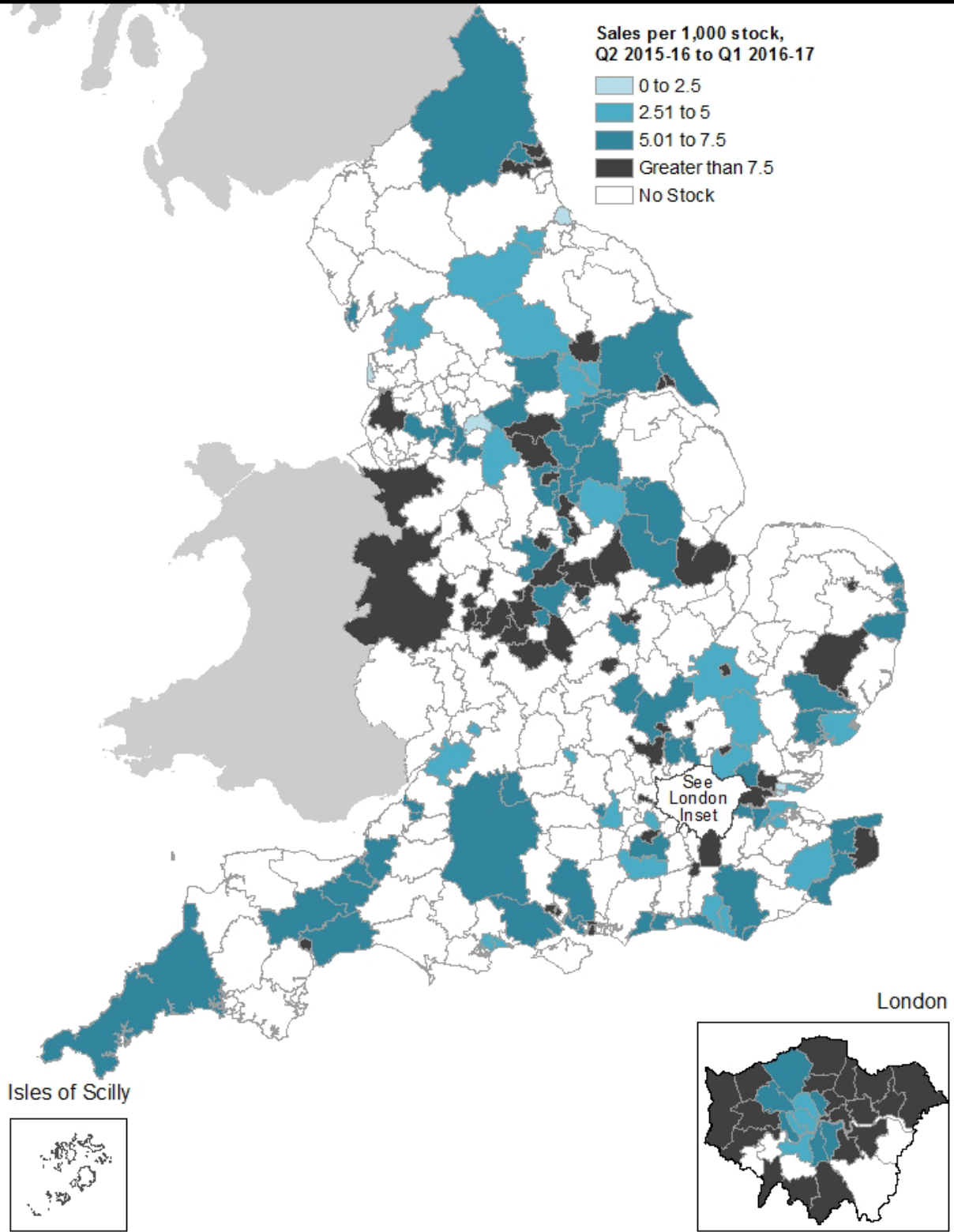
During the 12 month period to the end of June 2016 there were 12,829 Right to Buy sales. The number of dwellings owned by local authorities remained at 1.64 million¹.

There has been an increase in the number of local authorities with greater than five sales per 1,000 dwellings owned by local authorities from 19 local authorities in 2012/13 to 134 local authorities in Q2 2015-16 to Q1 2016-17.

Map 1 shows the sales per 1,000 dwellings of existing local authority stock in England during the past 12 months to June 2016. The non-stock holding authorities have transferred their stock to Private Registered Providers.

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>.

Map 1: Local Authority Right to Buy Sales per 1,000 dwellings of existing local authority stock, England, 2015-16 Q2 to 2016-17 Q1



Produced by the Analysis & Data Directorate, DCLG

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Data Sources

OS Boundary-Line

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#right-to-buy-sales>. The tables covering this topic are 116 and 688.

Right to Buy receipts

Statistics for receipts and starts on site are only available back to 2012-13 Q1.

Table 2: Quarterly Right To Buy receipts, England, 2012-13 Q1 to 2016-17 Q1, £ millions

	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	282.9				282.9

- In 2016-17 Q1 local authorities received approximately £282.9 million from Right to Buy sales, 27% higher than the £223.2 million in the same quarter of 2015-16. This is due to both the increase in the number of sales and the increase in house prices.

Table 3: Quarterly average receipts per dwelling, England, 2012-13 Q1 to 2016-17 Q1, £ thousands

	Q1	Q2	Q3	Q4	Total
2012-13	54	59	62	64	62
2013-14	60	63	69	72	67
2014-15	75	74	75	78	76
2015-16	80	78	80	83	80
2016-17	84				84

- The average receipt per dwelling sold in 2016-17 Q1 was approximately £84,000, compared to £80,000 in the same quarter of 2015-16.

Further details on Right to Buy receipts 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#right-to-buy-sales>.

The tables covering this topic are 692 and 693.

Starts on site and Acquisitions

In April 2012, March 2013 and July 2014 the Government made changes to the Right to Buy scheme, increasing the maximum discount caps. 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 the Homes and Communities Agency (HCA) or Greater London authority (GLA), who use these recycled Right to Buy receipts to deliver starts and acquisitions.

Table 4a shows the total quarterly Right to Buy starts and acquisitions that have been delivered by local authorities, the HCA and GLA through the Right to Buy additions policy.

Table 4a: Total Quarterly Right To Buy Starts on Site and acquisitions, including those by the HCA and GLA, England, 2012-13 Q1 to 2016-17 Q1, dwellings

	Q1	Q2	Q3	Q4	Total
2012-13	13	103	81	276	473
2013-14	95	264	308	522	1,189
2014-15	472	631	506	1,200	2,809
2015-16	307	566	515	737	2,125
2016-17	422				422
Total					7,018

- There were 422 dwellings started on site or acquired in total in 2016-17 Q1, 37% more than the number started or acquired in the same quarter of 2015-16.
- The HCA and GLA have used recycled Right to Buy receipts from local authorities to deliver 1,287 starts and acquisitions between 2012-13 Q1 and 2016-17 Q1. Adding these 1,287 to the 5,731 delivered by local authorities gives 7,018 in total.
- There were 4,389 additional sales between 2012-13 Q1 and 2013-14 Q1. There have been 7,018 additional affordable units delivered by local authorities, the HCA and GLA between 2012-13 Q1 and 2016-17 Q1, thereby exceeding the target for one-for-one additions.

Table 4b shows the quarterly Right to Buy starts and acquisitions that have been delivered by local authorities through the Right to Buy additions policy.

Table 4b: Quarterly Right To Buy Starts on Site and acquisitions by Local Authorities, England, 2012-13 Q1 to 2016-17 Q1, dwellings

	Q1	Q2	Q3	Q4	Total
2012-13	13	103	81	276	473
2013-14	95	264	308	294	961
2014-15	380	440	395	738	1,953
2015-16	307	504	396	715	1,922
2016-17	422				422
Total					5,731

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#right-to-buy-sales>.

The tables covering this topic are 692 and 693.

Accompanying Tables

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

- Table 691** Quarterly Right to Buy sales by local authority
- Table 692** Quarterly Right to Buy receipts by local authority
- 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>

These contain local authority level data on Right to Buy sales, receipts and starts on site.

Further information on other types of Social Housing Sales, such as sales by Private Registered Providers (PRPs), often known as Housing Associations, are also available on this page. The other statistics are annual rather than quarterly and collected from other sources: Local Authority Housing Statistics (LAHS), the Homes and Communities Agency's Statistical Data Return (SDR) and COntinuous REcording of Lettings and Sales in Social Housing in England (CORE) - rather than LOGASNet (see [Data Collection](#)).

The tables on stock may also be useful, for example the stock data used in the map in the [Right to Buy sales](#) section can be found in Live Table 116 here:

<https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

Definitions

Right to Buy sale

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 also may 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% 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% 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 RTB scheme, paying off additional local authority housing debt, an amount for authorities to use for general capital purposes, a share required by HM Treasury, 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 the Homes and Communities Agency (HCA) or Greater London Authority (GLA) for redistribution for funding these additional homes, or, if it has signed an agreement with DCLG, 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.

Starts on site and acquisitions

The figures include all starts on site and acquisitions of dwellings for the provision of social housing made by or on behalf of the authority, excluding those funded partially or wholly by grant from the HCA or the GLA.

These figures form a proxy for the number of additional homes delivered using RTB receipts. In some cases they may include some starts on site or acquisitions that are funded by other sources.

Provision was made for some local authorities to include HCA or GLA spending for starts on site or acquisitions, where business decisions had already been made in 2012-13, before the Department clarified that these should be excluded.

“Start on site” means the earlier of commencement of the following by a local authority or other body to which the authority has paid all or part of the retained amount for the purpose of providing homes for affordable or social rent:

- (a) excavation for strip or trench foundations or for pad footings;
- (b) digging out and preparation of ground for raft foundations;
- (c) vibrofloatation, piling, boring for piles or pile driving; or
- (d) drainage work specific to the buildings forming part of the scheme.

Market price

Most landlords contract a surveyor to determine the property value but some may use a local estate agent, for example. If a tenant disagrees with the property value, they can appeal to the district valuer (the VOA) who will survey the property and provide a final, binding decision.

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 five 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.

Technical notes

Data collection

Data are collected from a quarterly local authority return to the DCLG called LOGASNet. Local authorities with dwelling stock which receive poolable housing receipts supply these data to DCLG on a quarterly basis.

Data quality

The LOGASNet figures are audited annually by local authorities and continuously quality assured by DCLG, both of which can result in revisions (see [Revisions Policy](#)). The figures are compared against those supplied through the annual LAHS return for consistency, which again can result in revisions. Every effort is made to collect data from every local authority but in occasional instances estimates may be used. Care should be taken using data at a local authority level as the totals are low and therefore can be volatile.

DCLG has imputed values for local authorities who did not submit data. In Q1 2016-17 sales and receipts were imputed as zero for 4 local authorities; Starts-on-site were imputed as zero for 12 local authorities. Imputed values are highlighted in the live tables.

Starts on site and acquisitions

The starts on site and acquisitions data 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 has revealed that the question the Department asks in its LOGASnet Return about starts on site and acquisitions has been 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 the HCA or GLA.

It is possible that interpretation of starts on site and acquisitions by local authorities may still not be uniform. Whilst most local authorities should now be (correctly) reporting all starts on site or acquisitions not funded by the HCA or GLA, there may be some others interpreting the question more narrowly as only referring to delivery directly funded by RTB receipts. 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.

Revisions policy

This policy has been developed in accordance with the UK Statistics Authority Code of Practice for Official statistics and the Department for 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 previous quarters are only made in exceptional circumstances. Significant revisions to previous years are made once a year in the Social Housing Sales Statistical release. Figures are not published in these statistics with a provisional status (but imputed estimates may be used) and the component data are reported as final annual figures. Revised figures are highlighted in the live tables.

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 below.

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>

Related statistics, England

Social Housing Sales

DCLG publish annual statistics on Social Housing Sales. These statistics cover sales not only by local authorities but by PRPs under preserved Right to Buy and by all schemes not solely Right to Buy (for example Social Homebuy). The statistics are collected from DCLG's Local Authority Housing Statistics return.

<https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/social-housing-sales-including-right-to-buy-and-transfers>

Private Registered Provider stock

The Homes and Communities Agency (HCA) 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>

HCA Housing Statistics

The HCA publish bi-annual statistics collected through its IMS and PCS returns detailing the housing starts on site and housing completions delivered by the HCA.

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

GLA 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

DCLG 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

Devolved administration statistics

Data for Wales

The Welsh Government publish information on Social Housing sales, which does include information on Right to Buy sales. The latest release can be found at the following link:

<http://wales.gov.uk/statistics-and-research/social-housing-sales/?lang=en>

Data for Scotland

The legislation in Scotland is different but the principals are similar. The Scottish Government publish information on Social Housing sales, which does include information on Right to Buy sales. The latest 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>

Official Statistics

This Statistical Release is published at 9.30am on a date which has been pre-announced on the DCLG Statistics Release Calendar

(<https://www.gov.uk/government/statistics/announcements?utf8=%E2%9C%93&organisations%5B%5D=department-for-communities-and-local-government>).

A list of officials who have received pre-release access to this Statistical Release up to 24 hours in advance of publication is available on the Department's website

(<https://www.gov.uk/government/organisations/department-for-communities-and-local-government/about/statistics#pre-release-access-to-official-statistics>).

Next Publication

The next release, Right to Buy sales in England 2016-17 Q1, will be released in September 2016.

The precise date will be announced on the DCLG Statistics Release Calendar

(<https://www.gov.uk/government/statistics/announcements?utf8=%E2%9C%93&organisations%5B%5D=department-for-communities-and-local-government>).

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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 DCLG is available via the Department's website:

www.gov.uk/government/organisations/department-for-communities-and-local-government/about/statistics

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