



Department for
Communities and
Local Government

Right to Buy Sales: October to December 2014, England

Sales

- In 2014-15 October - December (Quarter 3), local authorities sold an estimated 3,285 dwellings under the Right to Buy scheme. This is an increase of 15 per cent from the 2,853 sold in the same quarter of 2013-14 ([Table 1](#)).
- Local authorities in London accounted for 33 per cent of sales in 2014-15 Q3; this is the second highest percentage recorded since quarterly statistics became available in 2006-07 Q1 (during 2014-15 Q1 London authorities accounted for just over 33 per cent of sales) ([Chart 1](#)).

Receipts

- In 2014-15 Q3 local authorities received approximately £247 million from Right to Buy sales, 26 per cent higher than the £197 million in the same quarter of 2013-14 ([Table 2](#)).
- The average receipt per dwelling in 2014-15 Q3 was £75 thousand, this compares to £69 thousand in the same quarter of 2013-14 ([Table 3](#)).

Housing

Statistical Release

24 February 2015

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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 as part of the one-for-one replacement policy (see [History of the Right to Buy Scheme](#) for more detail). 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, excluding 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 mid 2000s, and the number of sales decreased greatly between 2006-07 and 2009-10 (possibly caused 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 may, in part, be explained by the increased discounts available to tenants from 1st April 2012 (see [History of the Right to Buy Scheme](#) for further details), the reducing of any effect of the financial crisis and the increased marketing surrounding the changes. In addition to this, 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, 2006-07 Q1 to 2014-15 Q3

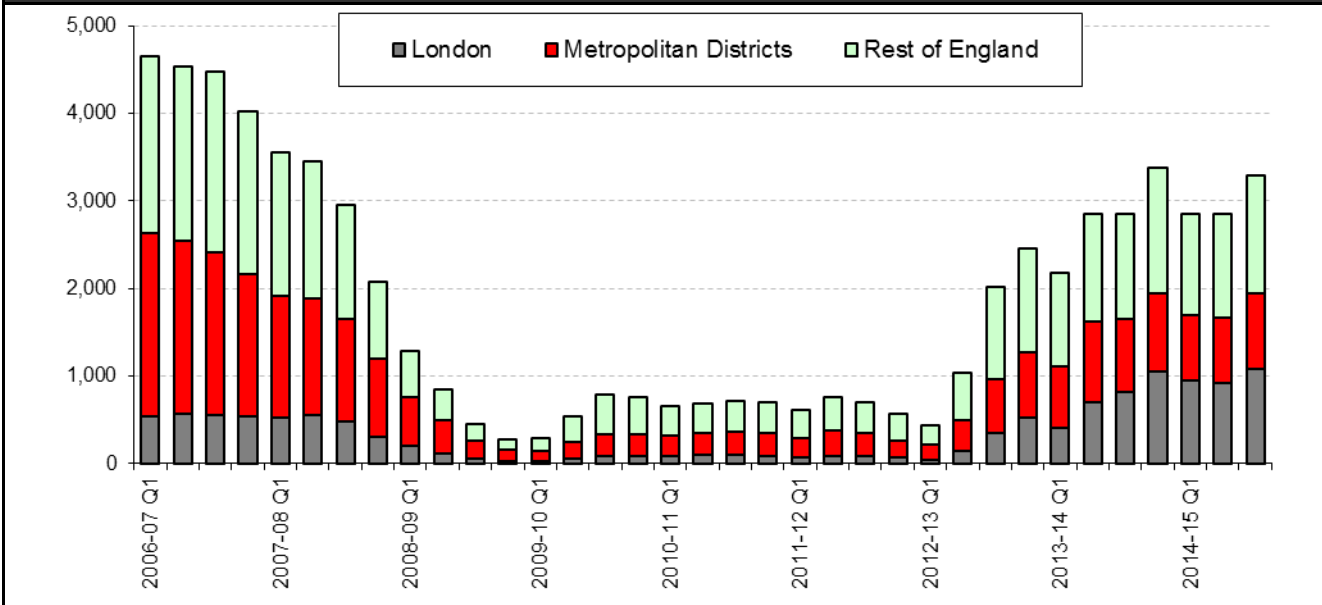
	Q1	Q2	Q3	Q4	Total
2006-07	4,655	4,538	4,470	4,021	17,684
2007-08	3,553	3,454	2,954	2,082	12,043
2008-09	1,286	851	455	277	2,869
2009-10	293	532	789	761	2,375
2010-11	657	689	714	698	2,758
2011-12	615	764	693	566	2,638
2012-13	442	1,041	2,011	2,450	5,944
2013-14	2,181	2,846	2,853	3,381	11,261
2014-15	2,850	2,845	3,285		

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#right-to-buy-sales>

- In 2014-15 Q3 local authorities sold an estimated 3,285 dwellings under the Right to Buy scheme. This is an increase of 15 per cent from the 2,853 sold in the same quarter of 2013-14.

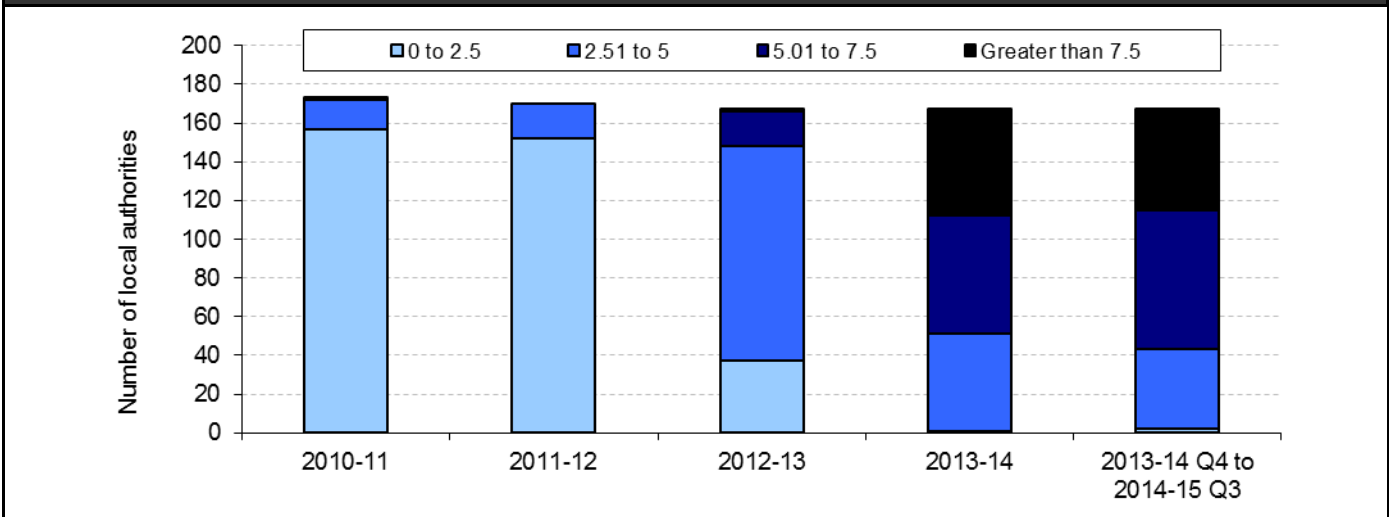
- Local authorities in London accounted for 33 per cent of sales in 2014-15 Q3; this is the second highest percentage recorded since quarterly statistics became available in 2006-07 Q1 (during 2014-15 Q1 London authorities accounted for just over 33 per cent of sales).
- Right to Buy sales are yet to reach the levels before the financial crisis. Sales in 2014-15 Q3 were 73 per cent of those in 2006-07 Q3.

Chart 1: Right to Buy Sales by local authority type, 2006-07 Q1 to 2014-15 Q3

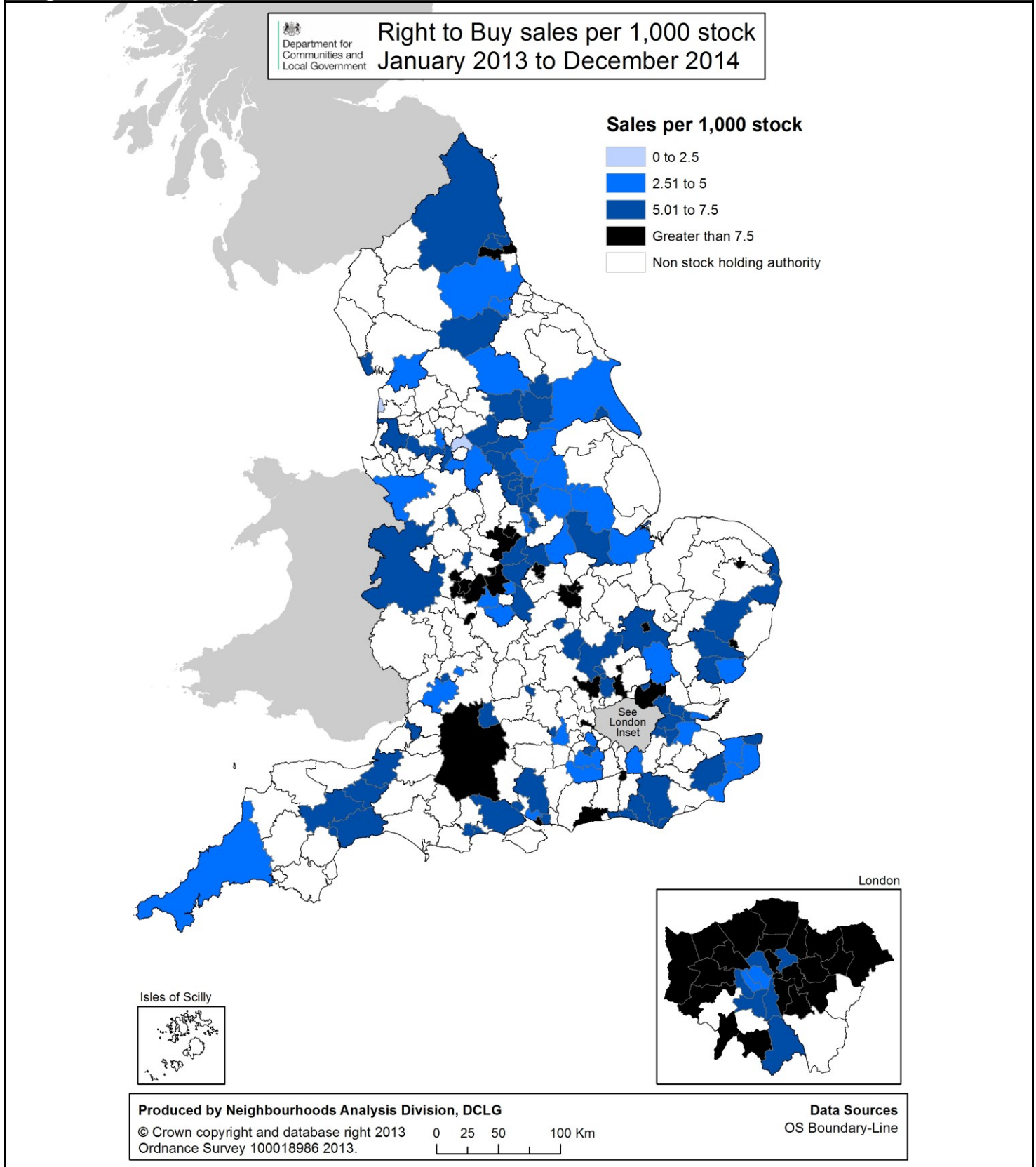


The chart and map below show the sales per 1000 dwellings of existing stock in the past year (the year January 2013 - December 2014) for local authorities in England. Please note that all stock figures are based on data from 1st April 2013. Many local authorities no longer hold stock (they have been transferred to Private Registered Providers). In the past year there were 12,361 Right to Buy sales, but local authorities still owned 1.68 million dwellings. There has been an increase in the number of local authorities with greater than five sales per 1,000 dwellings, from 1 local authority in 2010-11 to 124 local authorities in the past 12 months to December 2014.

Chart 2: Right to Buy Sales per 1000 dwellings by number of local authorities, 2010-11 to 2013-14 Q4 to 2014-15 Q3



Map 1: Local Authority Right to Buy Sales per 1,000 dwellings of existing local authority stock, England, for the year 2013-14 Q4 to 2014-15 Q3



Further detail 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 quarterly tables covering this topic are Tables 688 and 691, other Right to Buy sales data are in Tables 671, 685, 682 and 681.

Right to Buy Receipts and Starts on Site

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

Table 2: Quarterly Right To Buy Receipts, England, 2012-13 Q1 to 2014-15 Q3, £ 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	211.7	210.0	247.0		

- In 2014-15 Q3 local authorities received approximately £247 million from Right to Buy sales, 26 per cent higher than in the same quarter of 2013-14. The increase in receipts over recent quarters against a broadly steady sales figure may partly be explained by the increasing proportion of sales in London where property prices are generally higher.

Table 3: Quarterly Average Receipts per Dwelling, England, 2012-13 Q1 to 2014-15 Q3, £ thousands

	Q1	Q2	Q3	Q4	Total
2012-13	54	59	62	64	62
2013-14	60	63	69	72	67
2014-15	74	74	75		

- The average receipt per dwelling in 2014-15 Q3 was £75 thousand, this compares to £69 thousand in the same quarter of the previous year. The increasing proportion of sales in London where property prices are generally higher may explain this increase. Generally, changes in house prices and discounts may affect these figures.

Table 4: Quarterly Starts on Site and Acquisitions, England, 2012-13 Q1 to 2014-15 Q3, dwellings

	Q1	Q2	Q3	Q4	Total
2012-13	13	103	81	276	473
2013-14	95	264	308	294	961
2014-15	358	506	414		

- There were 414 dwellings started on site or were acquired in 2014-15 Q3, bringing the total since 2012-13 Q1 to 2,712 dwellings. Reported starts on site and acquisitions are increasing over time, which is likely to be primarily caused by the time lag in building or acquiring houses.
- The statistics on starts on site and acquisitions contained in this release represent a decrease from what was published last quarter. 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. This quarter, a full review of all data on starts on site and acquisitions provided by local authorities was conducted, resulting in a substantial revision of figures by 68 local authorities. For more details of the

review process, see [Data quality](#).

- It is possible that interpretation of the LOGASNet return question among local authorities may still not be uniform and further revisions may be necessary. We will continue to work with local authorities to improve the quality of the data and the way it is collected.

Further detail on Right to Buy Receipts and Starts 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 in particular 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 Right to Buy Starts on Site by local authority
Table 688	Annual Right to Buy Sales per 1000 dwellings of existing local authority stock 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](#)).

Also useful may be tables on stock, 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 and Notes

Right to Buy Sale

The sales figures exclude Right to Buy 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 of additional local authority housing debt, an amount for authorities to use for general capital purposes, a share required by the 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 new replacement 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 replacement 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 replacement 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. These starts on site and acquisitions are currently not included in the statistics provided here so that the statistics are based on a consistent definition over time.

“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.

Isles of Scilly

As Isles of Scilly no longer have a Housing Revenue Account their figures are not collected.

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 £77,000 in England and £102,700 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 built nationally under the one-for-one replacement 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 replacement 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.

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.

This quarter, a full review of all data on starts on site and acquisitions provided by local authorities was conducted, with 165 local authorities (all local authorities who have signed an agreement to retain RTB receipts) contacted and asked to confirm that the delivery they reported had not received HCA or GLA funding. Responses were received from 143 local authorities. Of those who did not respond 13 had previously reported no starts on site or acquisitions, while the remaining 9 had previously reported 35 or fewer starts on site or acquisitions.

As a result of this review, the statistics on replacement starts on site and acquisitions contained in this release represent a substantial decrease from what was published last quarter, with 68 local authorities revising their figures. Local authorities who revised their figures and local authorities who did not respond to the review are indicated on accompanying live table 693.

The decrease in starts on site and acquisitions can be explained by the exclusion of some delivery partially or fully funded by the HCA or GLA, which was included in the past. This delivery is captured in other statistical returns. The HCA or GLA record new affordable housing delivered by the programmes they administer. These are reported at a national level every six months in the

Department's table of Affordable housing starts and completions funded by HCA and the GLA. Completions, including those delivered through HCA and GLA programmes, are published at a local authority level in the annual Affordable Housing Supply statistical publication. These publications can be found at the following link:

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

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.

As set out in the Written Ministerial Statement on 18 September 2012, the Department no longer publishes statistics at a regional level. This follows the abolition of regional government by the Coalition who do not believe that regions provide a coherent or meaningful framework for assessing public policy. Instead, our published statistics present, where relevant, other sub-national geographies which are more aligned with public policy. The Written Ministerial Statement can be found here: <https://www.gov.uk/government/news/local-statistics-written-ministerial-statement>

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 of data within the current year are generally incorporated in the next release. 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

The DCLG publishes 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) publishes 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>

Dwelling stock estimates

DCLG also publishes 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:

http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-housing-publications/housing_stats.htm

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 2014-15 Q4, will be released in May/June 2015.

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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