



Department for
Communities and
Local Government

Social Housing Sales: 2014-15, England



Housing *Statistical Release*

12 November 2015

Sales

- In 2014-15 there were 20,454 sales of social housing dwellings, a decrease of 1 per cent compared to 2013-14.
- Of these 20,454 sales, 12,489 were by local authorities (an increase of 6 per cent compared to the 2013-14 figure). 7,965 were by private registered providers (a decrease of 11 per cent compared to 2013-14).
- 16,519 social housing sales were through the Right to Buy or Preserved Right to Buy schemes. This is 81 per cent of social housing sales in 2014-15, an increase of 5 percentage points compared to 2013-14.

Discounts

- The average discount, as a percentage of market value, of Right to Buy local authority dwellings sold was 46 per cent in 2014-15. This is 1 percentage point lower than in 2013-14 and 19 percentage points higher than in 2011-12.
- The average discount, as a percentage of market value, of Right to Buy registered provider dwellings sold was 52 per cent in 2014-15, the same as it was in 2013-14. This was 21 percentage points higher than in 2011-12.

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Date of next publication:

Autumn 2016

Introduction

This Statistical Release presents National Statistics on annual sales of social housing dwellings in England up to 2014-15. It complements the statistical releases on quarterly local authority 'Right to Buy sales in England' with statistics on sales by private registered providers and includes other schemes and types of sale in addition to the Right to Buy scheme.

Total Social Housing Sales

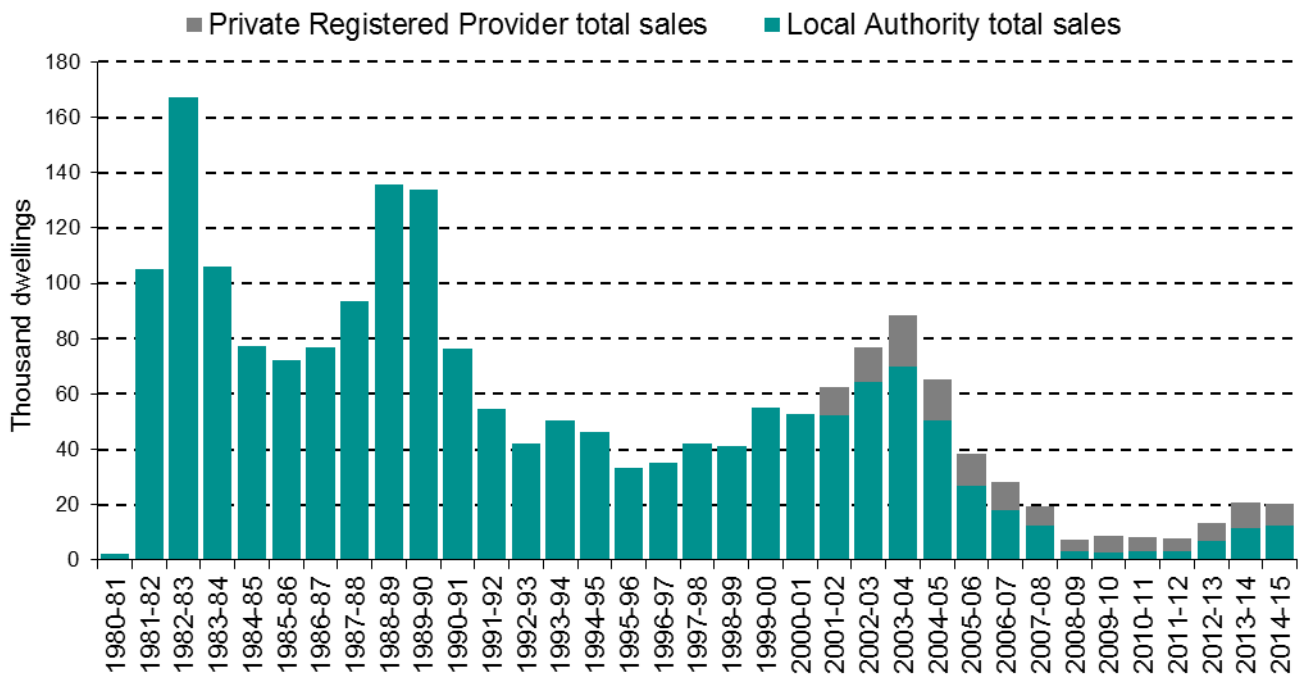
The numbers of social housing sales were high throughout the 1980's when Right to Buy was first introduced, averaging approximately 97,000 sales annually. Total sales then decreased in the 1990s, averaging approximately 47,000 sales annually and there was a further downward trend in social housing sales in the mid-2000s, when the number of sales decreased greatly between 2006-07 and 2009-10, possibly due to the financial crisis.

After four years of low sales, since 2012-13 there has been an increase in total social housing sales, although this total is still small when compared to before the financial crisis. The increase may in part be explained by the reduced effect of the financial crisis, which had restricted movement in the housing market, increased discounts in schemes such as Right to Buy and by marketing that surrounded the changes to the scheme.

In 2014-15 there were 20,454 sales of social housing dwellings, a decrease of 1 per cent compared to 2013-14.

- Of these 20,454 sales, 12,489 were by local authorities (an increase of 6 per cent compared to the 2013-14 figure) and 7,965 were by private registered providers (a decrease of 11 per cent compared to 2013-14).
- The 20,454 sales from 2014-15 are 23 per cent of the 2003-04 peak, and around 12 per cent of the 1982-83 peak.

Chart 1.1: Total social housing sales in England 1980-81 to 2014-15 ¹



1. Figures for private registered providers are only available from 2001-02, however they would have have relatively small before that point

Further detail on social housing sales, including data at a local authority level and footnotes are available in the Department's Live Tables. The tables relevant to this section are Tables 678 and 648. and can be found here- <https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing->

Type of Social Housing Sales

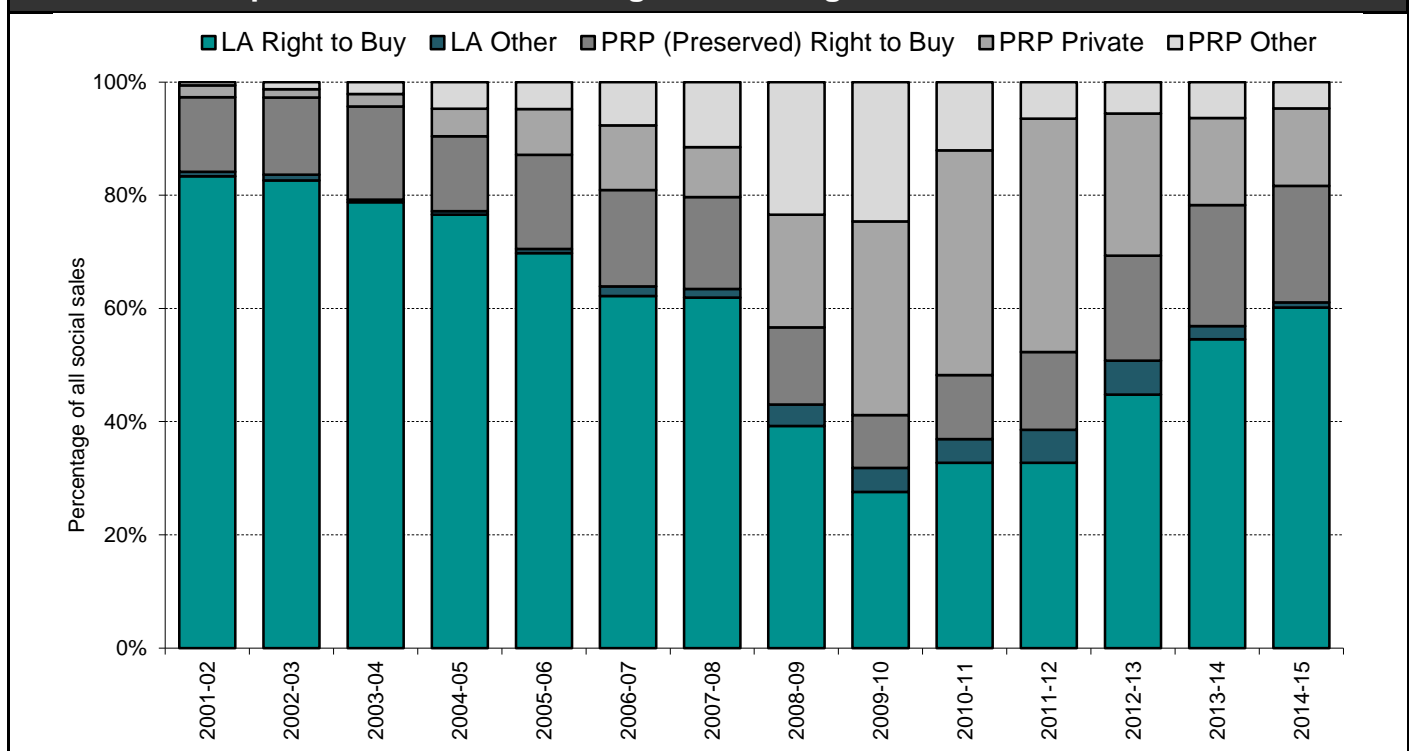
In 2014/15:

- 16,519 social housing sales were through the Right to Buy or Preserved Right to Buy schemes, accounting for 81 per cent of social housing sales, an increase of 5 percentage points compared to 2013-14.
- 39 per cent of social housing sales in 2014-15 were sales by private registered providers. This is a decrease of 4 percentage points compared to 2013-14, and a decrease of 22 percentage points compared to three years ago, when the figure was 61 per cent.

Statistics are available for dwellings sold under 'Right to Acquire' (in Live Table 677) and 'Social HomeBuy' (in Live Table 683).

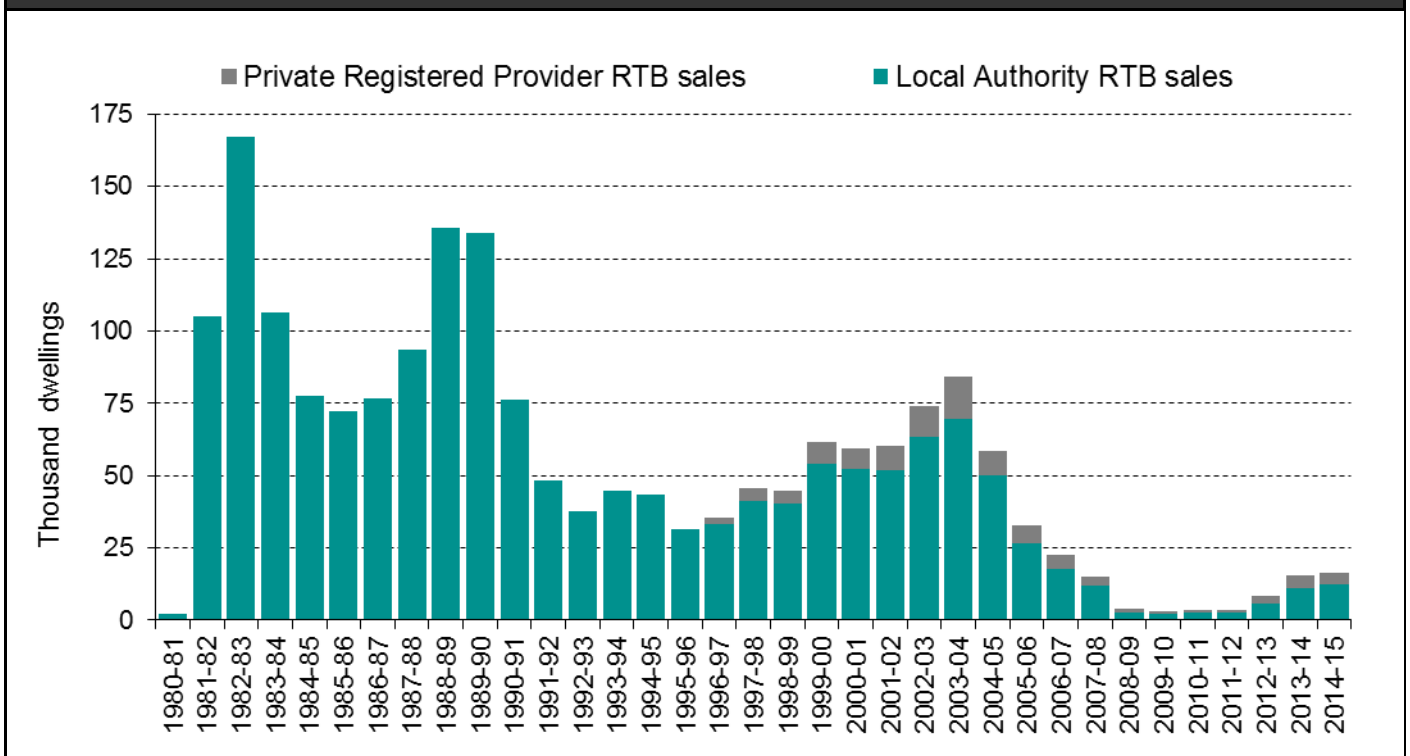
- In 2014-15 there were 380 sales under the Right to Acquire scheme. This compares to 240 sales in 2013-14.
- In 2014-15 there were 10 sales under Social HomeBuy, unchanged from 2013-14.

Chart 2.1: Components of social housing sales in England 2001-02 to 2014-15



The increase in local authority Right to Buy sales between 2011-12 and 2014-15 may, in part, be explained by the changes to the scheme, the reducing effect of the financial crisis and the increased marketing surrounding the changes (see [History of the Right to Buy Scheme](#) for further details). Following quality assurance revisions to private and other sales to tenants for the years 2011-12 to 2013-14 have been included in this release according to standard practice.

Chart 2.2: Total Right to Buy sales, England 1980-81 to 2014-15



The total number of Right to Buy sales peaked in 1982-83 with 167,000 sales before following a downward trend. There were smaller peaks in 1988-89 (136,000) and 2003-04 (84,000) but since 2003-04 sales have been relatively low, with annual sales fewer than 4,000 between 2008-09 and 2011-12. Since 2012-13 sales have gradually increased:

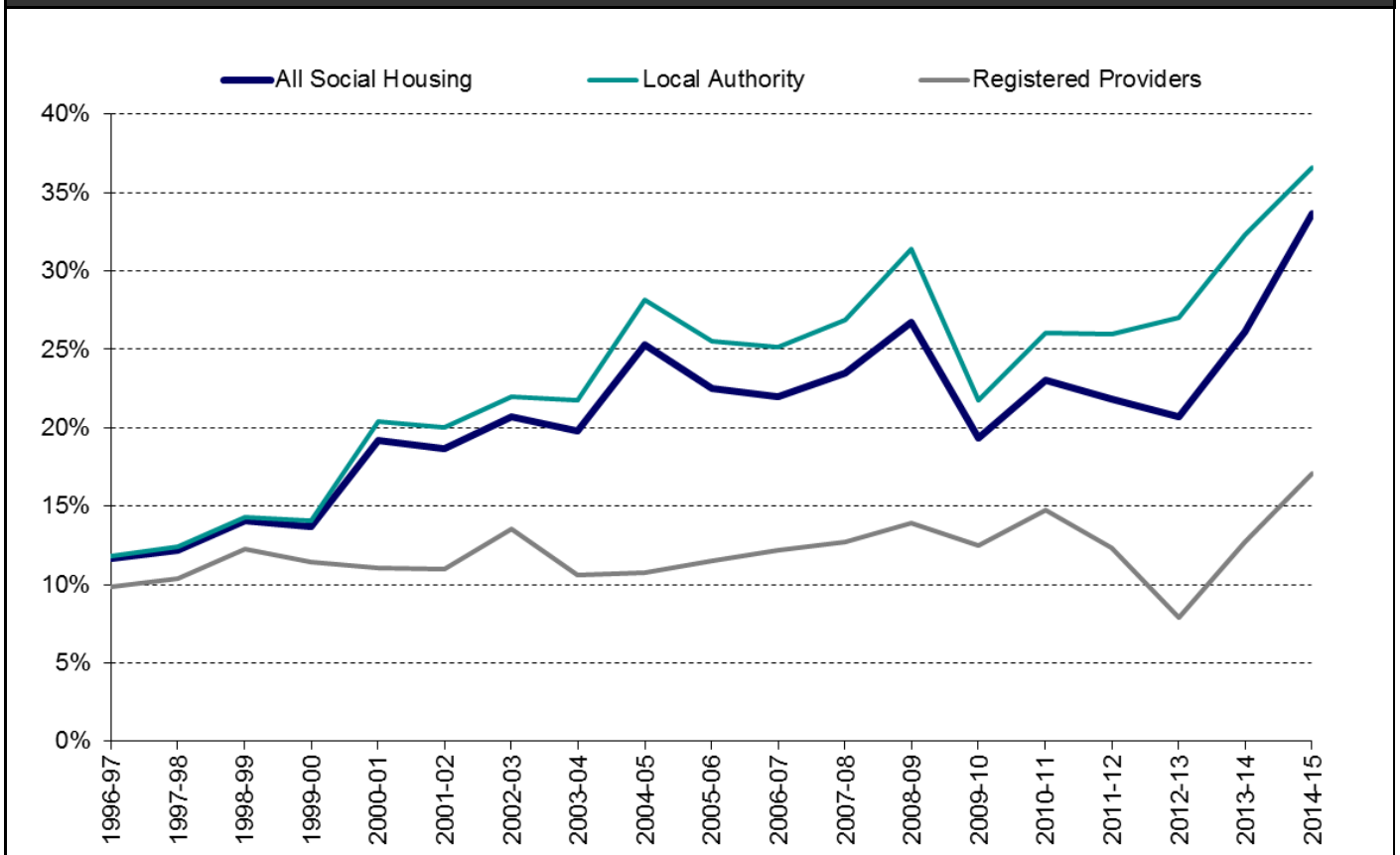
- In 2014-15 there were 16,519 sales, compared to 15,682 in 2013-14.
- There were 12,304 local authority sales and 4,215 private registered provider sales under Right to Buy or Preserved Right to Buy in 2014-15. Compared to 2013-14 sales this is an increase of 9 per cent for local authorities and a decrease of 5 per cent for private registered providers.

Since 1996-97 the proportion of Right to Buy sales that were flats has gradually increased.

- In 2014-15, 34 per cent of social housing dwellings sold through Right to Buy were flats. 37 per cent of local authority Right to Buy sales were flats whilst only 17 per cent of private registered provider Right to Buy sales were flats.

The increase in proportion of sales that were flats in 2014-15 may be due in part to the increase in sales in London where a high proportion of sales are flats.

Chart 2.3: Proportion of Right to Buy sales that were flats 1996-97 to 2014-15



Further details on the types of social housing sales 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 671, 677, 681, 683 and 685.

Financial Information regarding Right to Buy Sales

The 'discount percentage' is the percentage below market value that a dwelling is sold for under the Right to Buy scheme. The average 'discount percentage' decreased steadily between 1998-99 and 2007-08, from 50 per cent to 24 per cent for local authorities and from 50 per cent to 30 per cent for private registered providers (PRPs) respectively. In 2012-13 the discount increased back towards 1998-99 values with a 'discount percentage' of 45 per cent value for local authorities and 50 per cent value for PRPs.

These increases reflect in part changes made to the scheme between April 2012 and July 2014 which increased the maximum discounts available for buyers (see the [History of the Right to Buy Scheme](#) for further details).

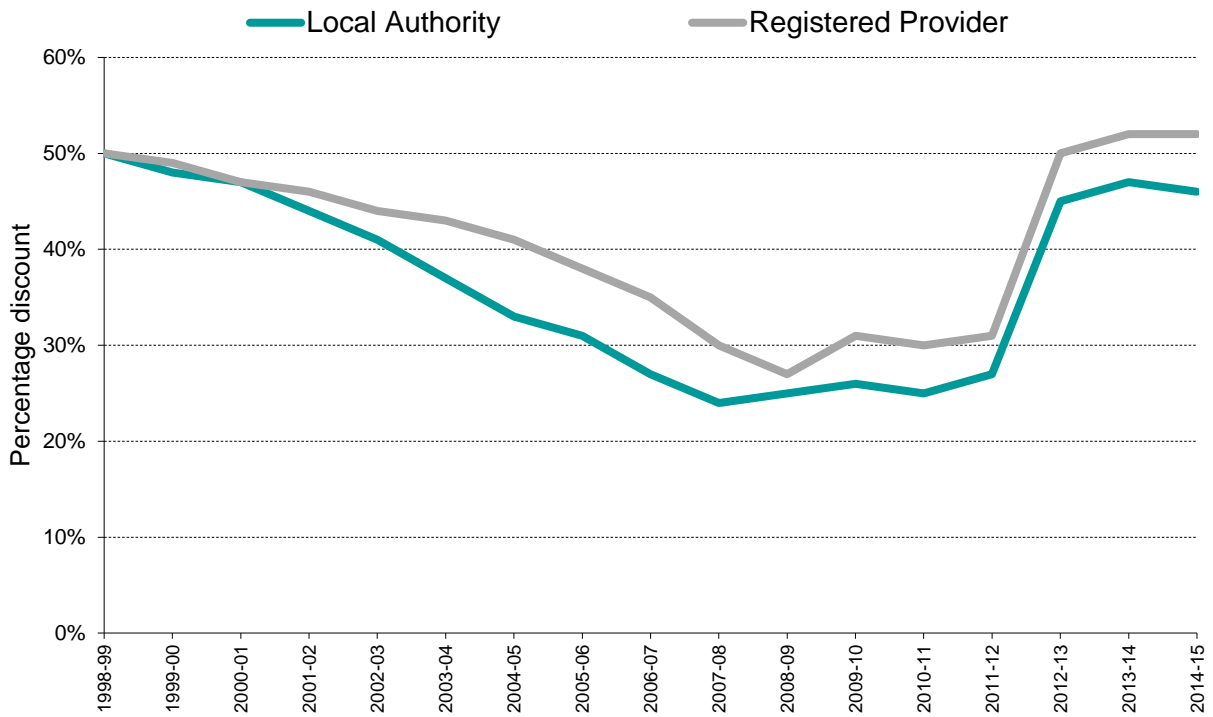
Local authority dwellings:

- There were 26,350 Right to Buy applications made to local authorities in 2014-15. This figure is nearly 3 times larger than the 9,000 in 2011-12, but is a decrease of 8 per cent compared to 2013-14.
- The average Right to Buy discount per local authority dwelling sold was £65,140 in 2014-15, more than double the 2011-12 value of £26,690.
- The average discount, as a percentage of market value, of Right to Buy local authority dwellings sold was 46 per cent in 2014-15. This is 1 percentage point lower than in 2013-14 and 19 percentage points higher than in 2011-12.

Private registered provider dwellings:

- The average Right to Buy discount per private registered provider dwelling sold was £54,920 in 2014-15, almost double the 2011-12 value of £28,410.
- The average discount, as a percentage of market value, of Right to Buy registered provider dwellings sold was 52 per cent in 2014-15, the same as it was in 2013-14. This 21 percentage points higher than in 2011-12.

Chart 3.1: Average Right to Buy discounts as a percentage of market value in England 1998-99 to 2014-15



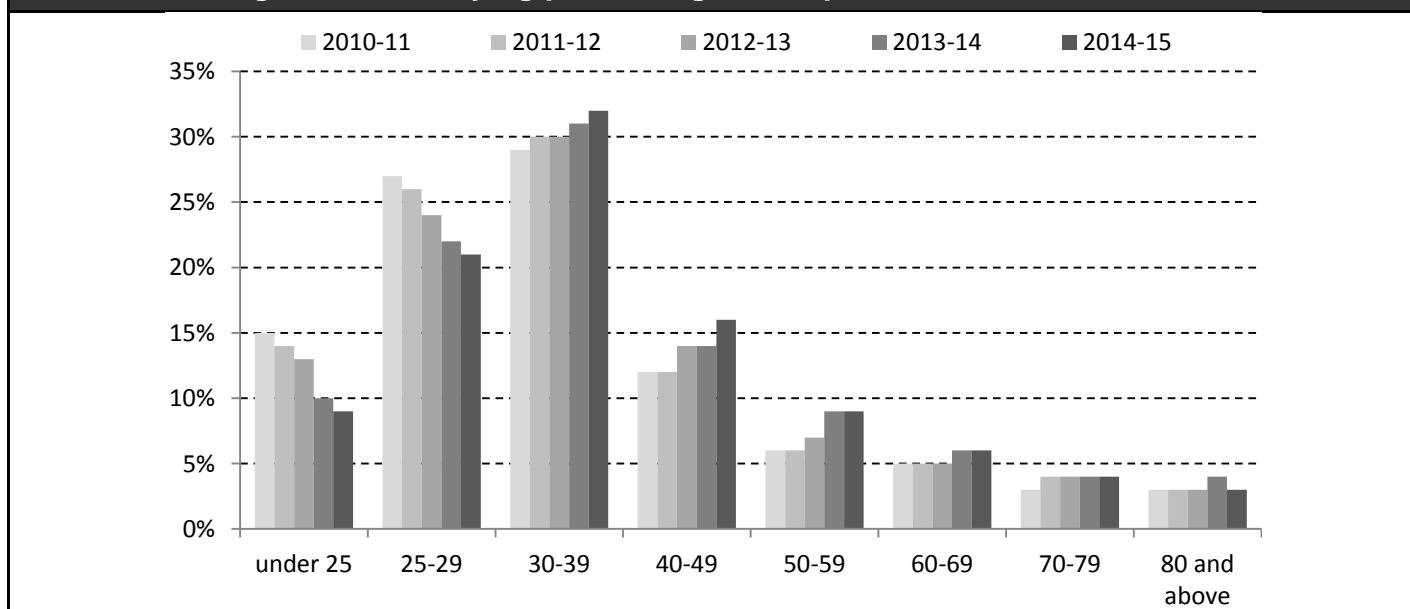
Further detail on Right to Buy Financial statistics is available in the Department's Live Tables. They can be found here- <https://www.gov.uk/government/statistical-data-sets/live-tables-on-social-housing-sales#right-to-buy-sales>. The table covering this topic in particular is 682.

Household Characteristics of those buying Private Registered Provider stock

This section presents information on the household characteristics of those buying **private registered provider stock** only. Similar data for those buying local authority dwellings are not collected in the Local Authority Housing Statistics data return. The information in this section comes from the CORE data collection - for details on how CORE and SDR collection criteria compare please see [Data Collection](#). Some of the data are estimated while some questions have missing data, i.e. where respondents have not answered that question, meaning the figures have limitations and should be treated with care. To see the full detail behind these figures, including the number of missing responses, please refer to the Live Tables 694, 695 and 696.

- 44 per cent of private registered provider stock sales in 2014-15 were sold to individual adults without children, the largest single group. This is an increase of 1 percentage point from 2013-14 values.
- The most common age group of those buying private registered provider stock was 30-39 in 2014-15. It should be noted that a long tail of older buyers could have skewed this figure slightly. The number of sales to those under 30 has decreased every year since 2010-11, from 42 per cent in 2010-11 to 31 per cent in 2014-15.

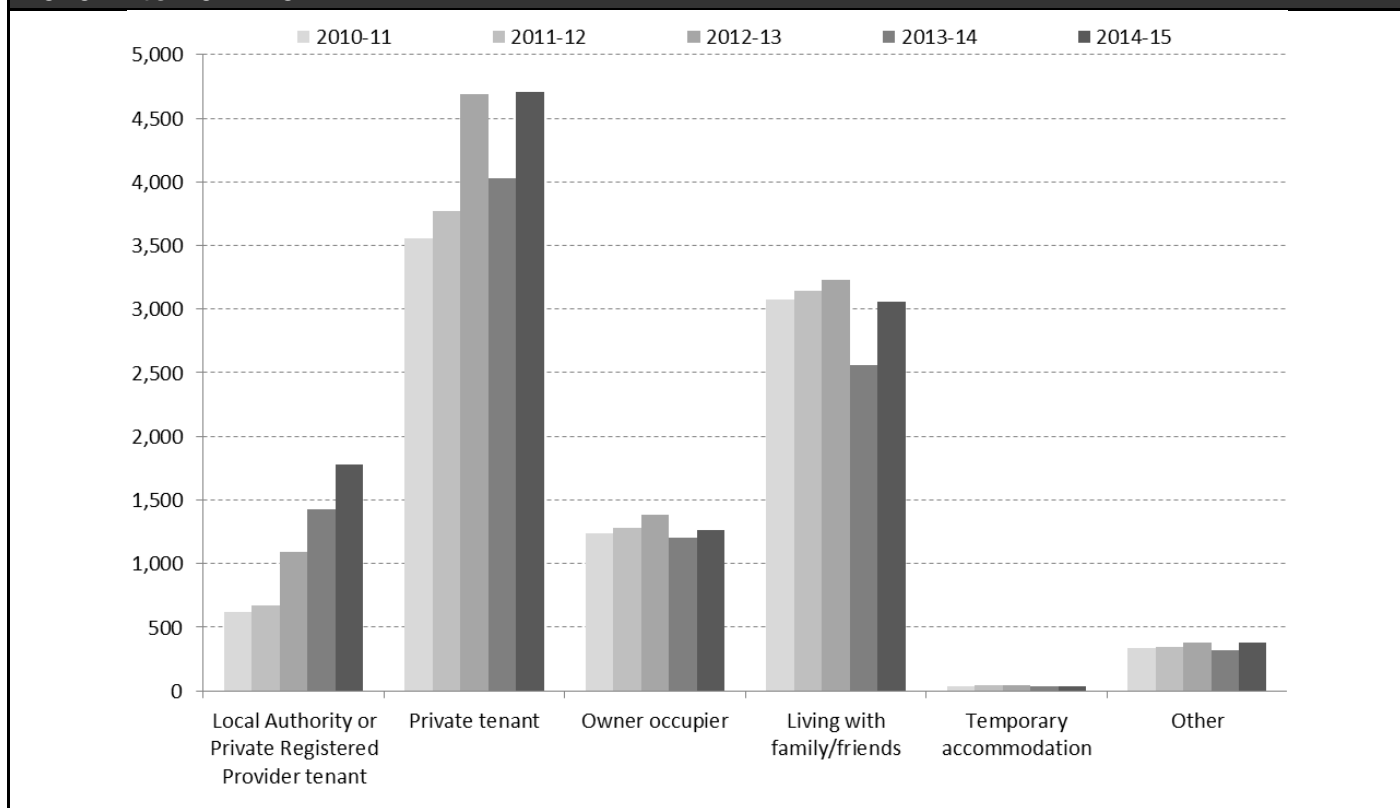
Chart 4.1 The age of those buying private registered provider stock, 2010-11 to 2014-15



- 16 per cent of private registered provider dwellings in 2014-15 were sold to those whose previous accommodation (immediately before their purchase) was a local authority or housing association tenant. This is an increase of 1 percentage point from 2013-14 and 9 percentage points from 2010-11. The largest group (42 per cent) are those who were

previously private tenants; this reflects the inclusion of shared ownership sales.

Chart 4.2 Previous accommodation of those buying private registered provider stock, 2010-11 to 2014-15



Further detail on the Household characteristics of Social Housing buyers including data 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 in particular are 694, 695 and 696

Accompanying tables

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

Table 648	Social Housing Sales: Annual social housing sales by local authority
Table 671	Right to Buy sales: Annual Right to Buy sales for England (includes chart)
Table 677	Other Schemes: Annual Right to Acquire sales for England
Table 678	Social Housing Sales: Annual social housing sales by scheme for England (includes chart)
Table 681	Right to Buy Sales: Annual Right to Buy sales that were flats for England (includes chart)
Table 682	Right to Buy Sales: Financial data on Right to Buy sales for England
Table 683	Other Schemes: Annual Social HomeBuy sales for England
Table 684	Other Schemes: Annual demolitions of social housing stock for England
Table 685	Right to Buy: Annual Right to Buy sales by local authority
Table 691	Right to Buy: Quarterly Right to Buy sales, by local authority
Table 692	Right to Buy: Quarterly Right to Buy receipts, by local authority
Table 693	Right to Buy: Quarterly Right to Buy starts on site, by local authority
Table 694	Social Housing Sales: Previous accommodation of buyers immediately before their purchase (private registered providers only) for England (includes chart)
Table 695	Social Housing Sales: Age of purchaser (private registered providers only) for England (includes chart)
Table 696	Social Housing Sales: Household composition of social housing buyers (private registered providers only) for England (includes chart)

These tables can be accessed at

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

Related DCLG statistical releases are available at:

Local Authority Stock data can be found in Live Table 100 here-

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

Changes to stock can also arise due to the transfer of stock from local authorities to private registered providers (through Large Scale Voluntary Transfers, LSVTs) and between registered providers. Information on local authority LSVTs is reported by the Homes and Communities Agency at <https://www.gov.uk/government/collections/statistical-data-return-statistical-releases> and is included in our Live Table 648. Transfers between registered providers are also published by the Homes and Communities Agency in their supporting tables for the Statistical Data Return

Definitions

Local Authority Housing Statistics (LAHS)

Figures on social housing sales include only sales which result in existing stock leaving the social sector. These include sales under Right to Buy (RTB), Preserved Right to Buy (PRTB), Right to Acquire (RTA), Social HomeBuy (SHB), Voluntary Purchase Grant (VPG), other outright or shared equity sales to tenants and disposals of existing stock to the private sector.

Sales of other kinds, such as shared ownership sales of newly built social stock or of private sector stock, stock transfers to Registered Providers, either from Local Authorities or other PRPs, and demolitions are **not included** in the total social housing sales figures.

The figures do not include sales and transfers between local authorities and private registered providers (PRPs). The 60 Large Scale Voluntary Transfers (LSVTs) of local authority stock to PRPs and 3,919 sales and transfers between PRPs for social housing purposes in 2014-15 are not included in the figures. Further information on Large Scale Voluntary Transfers (LSVTs) of local authority stock to PRPs and demolitions can be found in Live Table 684, Local Authority Housing Statistics (LAHS) and the HCA's Statistical Data Return (SDR).

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, 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 built nationally under the one-for-one replacement policy. Under the reinvigorated Right to Buy, local authorities are now able to keep a portion of the receipts from additional Right to Buy sales to pay off debt and fund replacement affordable housing.

Technical notes

Data collection

The statistics in this publication are based on five sources-

1. The Local Authority Housing Statistics (LAHS) form administered by DCLG
2. The LOGASNet return administered by DCLG
3. The Statistical Data Return (SDR) from the HCA
4. The COntinuous REcording (CORE) data collection run by DCLG
5. The Investment Management System (IMS) administration system run by the HCA

Sales of local authority stock are collected through the LOGASNet returns supplied by Local Authorities to DCLG. This gives information at district level for all local authority council house sales as well as housing capital expenditure and other information for other statistical releases. This is a quarterly return and is reconciled annually against LAHS values.

The HCA collects stock sale information from private registered providers through the SDR. The figures in the SDR do not include new build dwellings built for Local Cost Home Ownership, acquisitions from the private sector for Affordable Home Ownership or transfers between social housing providers.

Sections '[Total Social Housing Sales](#)', '[Type of Social Housing Sale](#)' and '[Financial Information regarding Right to Buy](#)' use LOGASNet, LAHS and the SDR to compile social housing sales totals. These sections include sales under the Right to Buy, Preserved Right to Buy, Right to Acquire, Social HomeBuy, other outright or shared equity sales to tenants, and sales of existing stock to the private sector. Shared equity sales to tenants are recorded at the point of initial sale. The figures exclude sales through low cost home ownership schemes where these do not relate to existing social stock, i.e. sales of newly built homes for shared ownership or acquisitions of private sector homes for affordable home ownership. Intra-tenure transfers between social housing providers are also excluded.

Private registered providers are required by the Social Housing Regulator to complete CORE Sales logs. Social landlords that are not registered with the Social Housing Regulator but affiliated to the National Housing Federation are invited to complete CORE Sales logs.

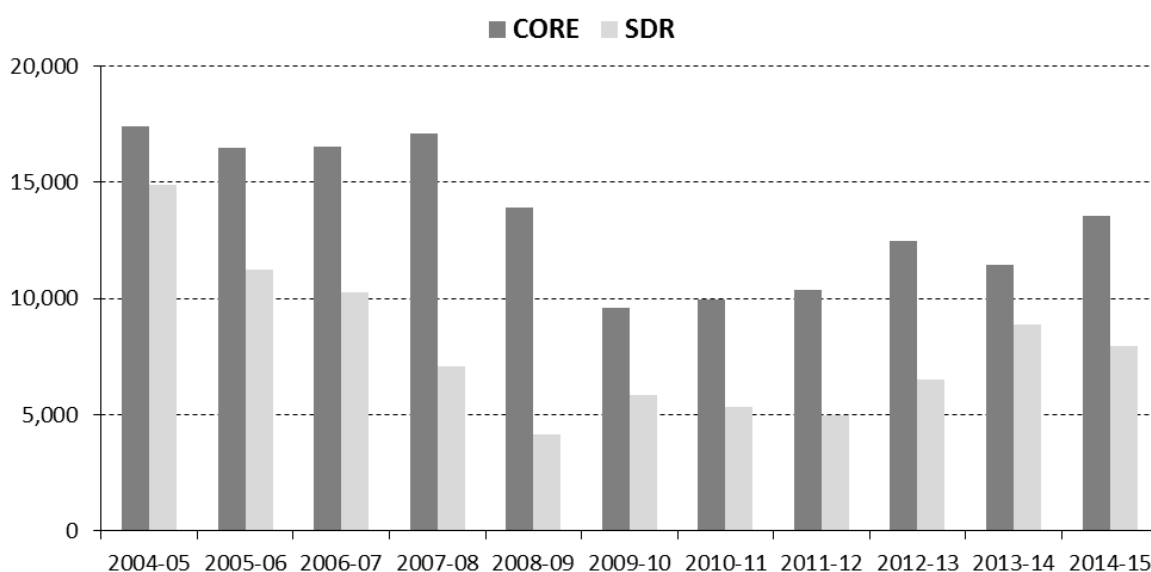
CORE has a slightly different definition of private registered provider sales than the SDR data collection. Data are collected for sales of self-contained dwellings and re-sales of any part-owned dwellings (shared ownership) by private registered providers. This includes all shared ownership or shared equity schemes and outright sales of social stock for social use by the PRP. Disposals to the private sector for non-social use are not recorded nor are sales of additional equity shares purchased by existing shared owners (known as 'staircasing'). CORE does not collect information on local authority sales. CORE includes sales from new build dwellings built for Local Cost Home Ownership. These differences between CORE and the SDR mean that both report different figures

for PRP Social Housing Sales; CORE and SDR reported social housing sales are compared in [Chart A.1](#).

CORE captures information on each individual sale, including the demographic characteristics of the purchaser (see [Household Characteristics of those buying Private Registered Provider stock](#)). These demographic questions are voluntary however and not reported for all sales. Tables 694 to 696 include information on the levels of missing data. CORE is also used to calculate the proportion of flats sold and financial details by private registered providers.

The IMS, an HCA system for administering grant, provides data on private registered provider Right to Acquire and Social HomeBuy sales.

Chart A.1: Total private registered provider sales in England 2004-05 to 2014-15



Data quality

Local Authority returns (Local Authority Housing Statistics form)

Some Local Authorities do not own any stock and so cannot make any social housing sales. As at 1 April 2015 there were 167 authorities stock holding authorities (i.e. those with a Housing Revenue Account), all of which made a return, although some had not answered certain questions and others had not signed off the return. The questions required for this release, on the whole, had a good response rate.

Local Authority return (LOGASNet)

The LOGASNet figures on local authority Right to Buy sales and receipts are audited annually by local authorities and continuously quality assured by DCLG, both of which can result in revisions. 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 on occasion 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.

Private Registered Provider returns

All social landlords that are registered with the Homes and Communities Agency complete a Statistical Data Return (SDR) which includes data on all their sales. The SDR sales data does not include information on property type. Instead, data on the types of properties sold by PRP is taken from Continuous Recording (CORE) returns. This method assumes that the property type distribution of any sales not reported on CORE, such as those by small PRPs, is the same as those for larger PRPs.

The SDR does not ask PRPs to provide financial information on their sales of stock. However, CORE returns do include financial data on social housing sales. The financial information from CORE is shown as simple average values for the reported sales.

The Homes and Communities Agency (HCA) Investment Management System (IMS) contains information provided by PRPs that have applied to receive grant and this shows the number of Right to Acquire and PRP Social HomeBuy figures. These are also reported through the SDR but the IMS figures are used here because they are based on grant funded completions.

The HCA's Statistical Data Return (SDR) is used to compile figures for sales by private registered providers for sections '[Total Social Housing Sales](#)', '[Type of Social Housing Sale](#)' and '[Financial Information regarding Right to Buy](#)'. An alternative source, using a wider definition of 'sales', is Continuous REcording (CORE). More information on both can be found in the [Data Collection](#) section of this release.

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 annual data are generally incorporated in the next release. Figures are not published in these statistics with a provisional status (but imputed estimates may be used). Revised figures are highlighted in the live tables.

In this release revisions have been made to Live Table 678 (Annual Sales by Scheme) to rectify a mismatch between SDR data and the data reported. This has been changed. This means some figures are revised for the years from 2011/12 to 2013/14 to put the figures on a comparable basis. Further details are provided in the table below.

Chart A.2: Revisions to private registered provider sales in England, 2011-12 to 2013-14

	(Preserved) Right to Buy		Sales to Private Sector		Other Sales to Tenants		Total PRP Sales	
	Revised	<i>Previously published</i>	Revised	<i>Previously published</i>	Revised	<i>Previously published</i>	Revised	<i>Previously published</i>
2011-12	-	-	-	-	523	2,153	4,953	6,583
2012-13	-	-	3,334	3,199	741	4,075	6,533	9,732
2013-14	-	-	3,172	5,732	1,311	4,483	8,904	14,636

Uses of the data

These statistics are used to monitor social housing sales including 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>

Devolved administration statistics

Data for Wales

The Welsh Government publishes 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://gov.wales/docs/statistics/2015/150715-social-housing-sales-2014-15-en.pdf>

Data for Scotland

The Scottish Government publish information on social housing sales, however, from 1 August 2016 the 'Right to Buy' will be repealed for all council and housing association tenants. 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.dsdni.gov.uk/topics/dsd-statistics-and-research-housing/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, Social Housing Sales, England: 2015-16, will be released in Autumn 2016. The 'sister release' Right to Buy sales in England: July to September 2015-16 will be released in December 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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<https://www.gov.uk/government/statistics/announcements>

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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November 2015

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ISBN: 978-1-4098-4722-9