

Social Housing Sales to sitting tenants, England, 2008-09

There were an estimated 7,300 total social housing sales to sitting tenants in England in 2008-09. This is less than half the 19,360 sales recorded in 2007-08 and the fifth consecutive annual decline.

There were an estimated 3,860 Right to Buy sales in England in 2008-09 (53% of total sales), a decrease from 15,110 sales in 2007-08. Of these, 2,860 sales were of local authority properties, and 1,000 were of Registered Social Landlord properties.

The average market value of local authority properties purchased through the Right to Buy scheme in 2008-09 was £107,250, with average capital receipts of £81,840 and average discount of £25,410.

There were 180 sales of Registered Social Landlord properties through the Right to Acquire scheme in England in 2008-09 (3% of total sales), down two-thirds from 540 in 2007-08.

There were 100 sales through the Social HomeBuy scheme in England in 2008-09 (1% of total sales), compared with 160 sales in 2007-08.

A further 1,460 sales in 2008-09 (20% of total sales) were disposals of RSL properties to the private sector, while the remaining 1,700 (23%) were other shared equity and outright sales to sitting tenants.

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Introduction

This Statistical Release presents official statistics on the number of social housing sales to sitting tenants in England and its regions for 2008-09. This is the first time these statistics have been presented in this format, and users are encouraged to provide feedback on the presentation of this release to the statistical contact given.

Social housing sales include sales through Right to Buy, Preserved Right to Buy, Right to Acquire, Social HomeBuy, and other outright or shared equity sales to sitting tenants. They **do not** include Low Cost Home Ownership sales through shared ownership schemes.

Figures on the number of social housing sales are collected from Local Authority returns to Communities and Local Government and Registered Social Landlord returns to the Tenant Services Authority (TSA). These are supplemented by data from the Investment Management system held by the Homes and Communities Agency.

Total social housing sales to sitting tenants in England

Table 1: Total social housing sales in England

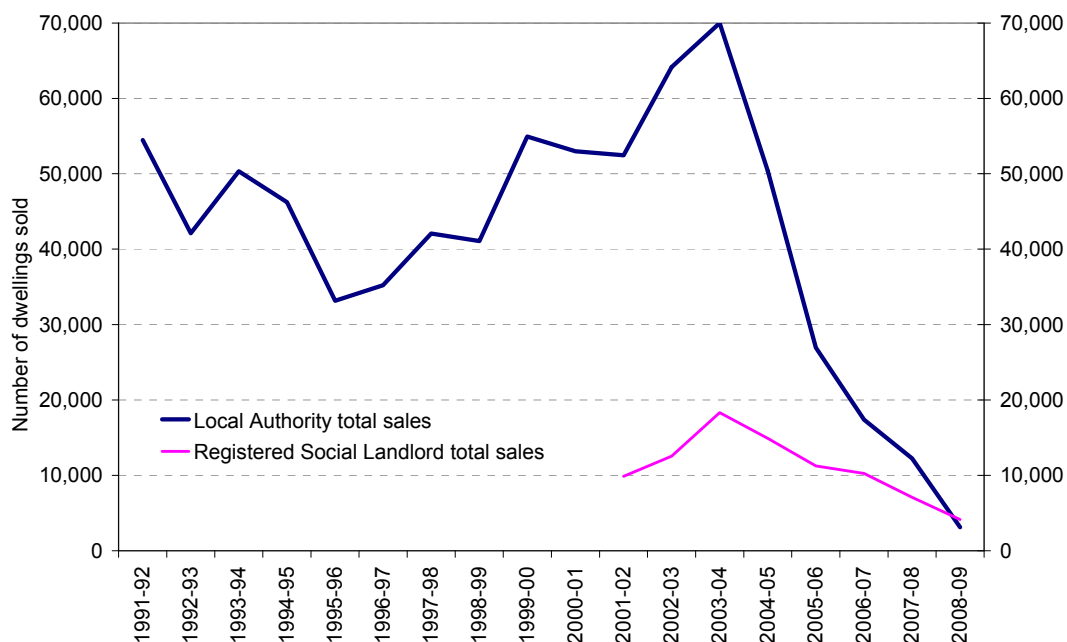
Year	Local Authority social housing sales		Registered Social Landlord social housing sales ¹		Total social housing sales	
	Number	% Change	Number	% Change	Number	% Change
1999-00	54,960		N/A		N/A	
2000-01	53,010	-4%	N/A		N/A	
2001-02	52,460	-1%	9,890		62,350	
2002-03	64,150	22%	12,570	27%	76,720	23%
2003-04	69,990	9%	18,340	46%	88,330	15%
2004-05	50,370	-28%	14,900	-19%	65,270	-26%
2005-06	26,940	-47%	11,260	-24%	38,200	-41%
2006-07	17,390	-35%	10,260	-9%	27,650	-28%
2007-08	12,250	-30%	7,110	-31%	19,360	-30%
2008-09	3,130	-74%	4,160	-41%	7,300	-62%

1. Figures on total RSL social housing sales are not available prior to 2001-02.

A total of 7,300 social homes were sold by local authorities and Registered Social Landlords (RSLs) to sitting tenants in England in 2008-09. This is a 62% decrease from 19,360 sales in 2007-08 and the fifth consecutive annual decline. Social housing sales in 2008-09 were down 92% from their peak of 88,330 sales in 2003-04. Figure 1 shows the annual trend in total social housing sales since 1991-92.

Sales of local authority stock have accounted for the majority of social housing sales until 2008-09 when 57% of social homes sold in 2008-09 were RSL stock.

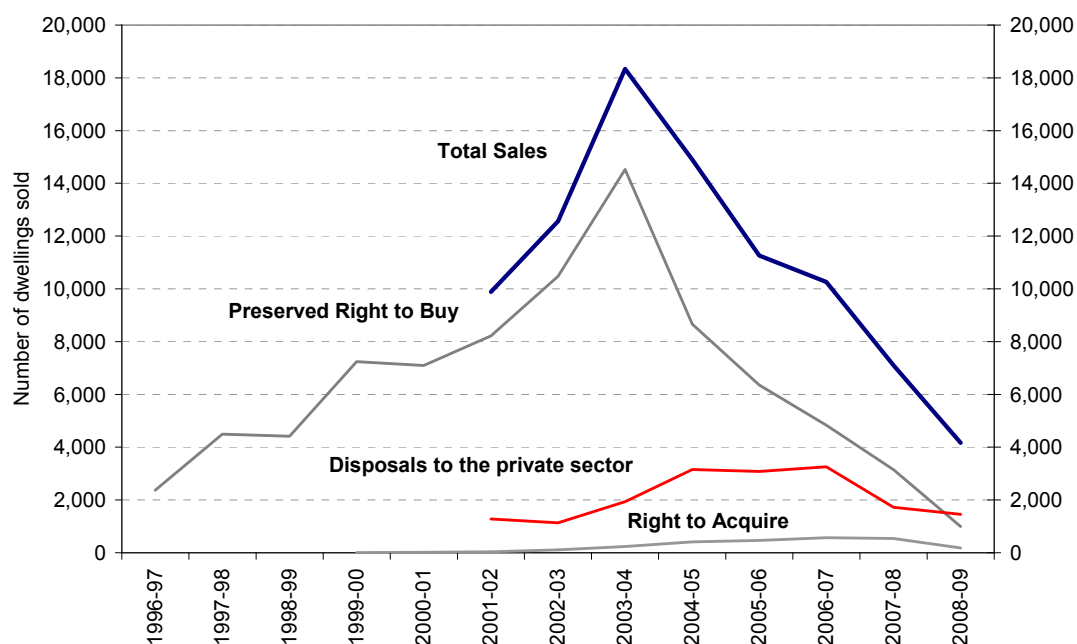
Figure 1: Total social housing sales in England



Right to Buy sales account for the majority of sales of social housing to sitting tenants. In 2008-09, 53% of total social housing sales were through Right to Buy. Whilst this is a decrease in the share of total sales from around 80 to 90% in previous years, the vast majority of local authority sales to sitting tenants continue to be Right to Buy sales (91% in 2008-09).

Historically, the trend in total RSL sales has been dominated by Preserved Right to Buy sales (see Figure 2). In 2008-09, 1,460 (35%) were disposals to the private sector, 1,000 (24%) were Preserved Right to Buy sales, and 180 (4%) were Right to Acquire sales. The remaining 37% of RSL sales include Social HomeBuy sales, and other shared equity and outright sales to sitting tenants.

Figure 2: Total number of Registered Social Landlord social housing sales in England



Total Right to Buy sales in England

Table 2: Number of Right to Buy (RTB) sales in England

Year	Local Authority RTB sales		Registered Social Landlord RTB and Preserved RTB sales		Total RTB and Preserved RTB Sales	
	Number	% Change	Number	% Change	Number	% Change
1999-00	54,250		7,250		61,500	
2000-01	52,380	-3%	7,100	-2%	59,480	-3%
2001-02	51,970	-1%	8,220	16%	60,190	1%
2002-03	63,390	22%	10,470	27%	73,870	23%
2003-04	69,580	10%	14,530	39%	84,100	14%
2004-05	49,980	-28%	8,670	-40%	58,650	-30%
2005-06	26,660	-47%	6,360	-27%	33,010	-44%
2006-07	16,900	-37%	4,840	-24%	21,730	-34%
2007-08	11,960	-29%	3,150	-35%	15,110	-30%
2008-09	2,860	-76%	1,000	-68%	3,860	-74%

A total of 3,860 homes were sold through the Right to Buy scheme in England in 2008-09. This is a 74% decrease from 15,110 sales in 2007-08 and continues the downward trend in number of sales from 84,100 in 2003-04. Figure 3 shows the trends in sales over time from the start of the scheme in 1980.

74% of homes sold through the Right to Buy scheme in 2008-09 were local authority owned homes, and the remaining 26% were Registered Social Landlord owned homes.

Figure 3: Number of Right to Buy sales in England

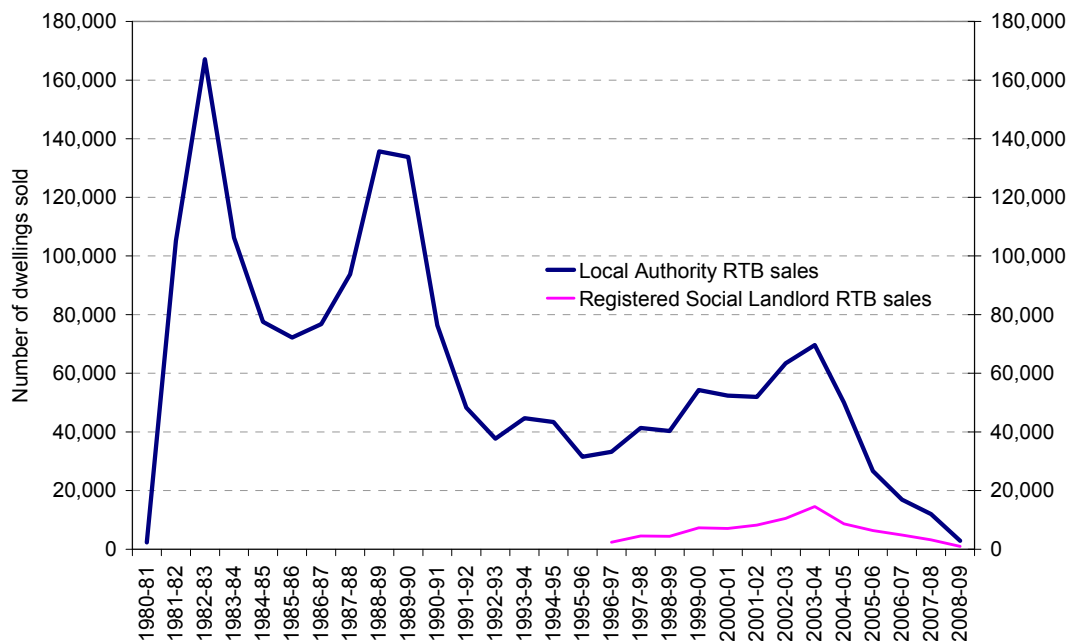
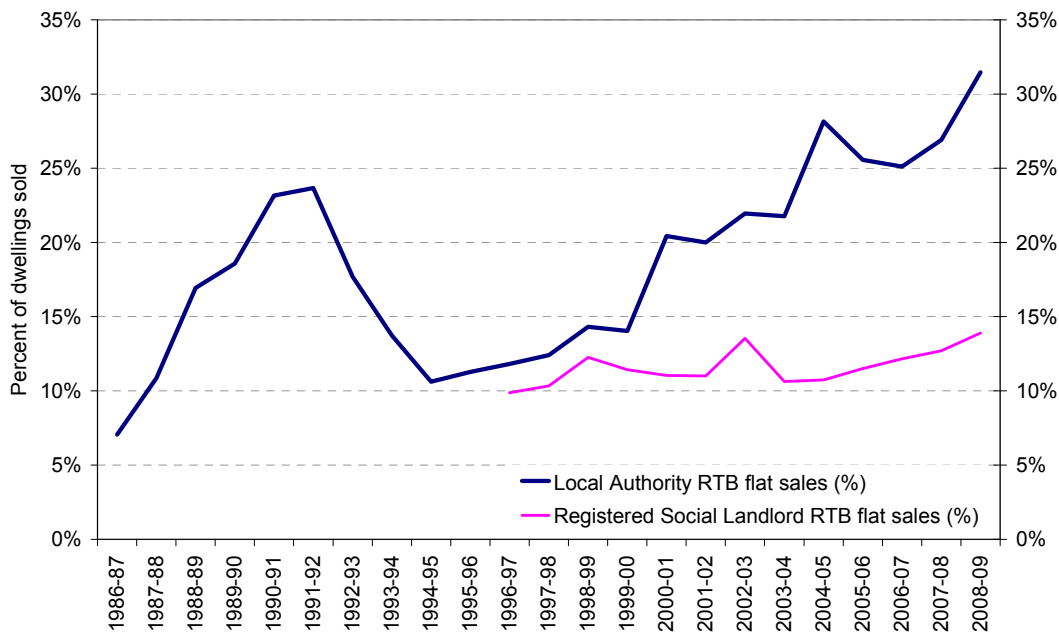


Figure 4: Percent of Right to Buy sales in England that were flats



Since the mid 1990's there has been a general upward trend in the proportion of Right to Buy sales that are flats (see Figure 4). In 2008-09, 31% of local authority homes and 14% of RSL homes sold through the Right to Buy scheme were flats.

Local Authority Right to Buy sales in England

Table 3: Local Authority Right to Buy sales by financial data¹

Year	Number of Successful ² Applications	Number of Sales	Sales as % of applications	Capital Receipts		Discount		Market Value	
				Total Value (£m)	Average per property (£)	Total Value (£m)	Average per property (£)	Total Value (£m)	Average per property (£)
1999-00	88,900	54,250	61%	1,374	25,320	1,282	23,630	2,656	48,950
2000-01	85,650	52,380	61%	1,426	27,220	1,251	23,880	2,676	51,090
2001-02	95,990	51,970	54%	1,566	30,140	1,215	23,380	2,781	53,520
2002-03	146,280	63,390	43%	2,210	34,860	1,508	23,790	3,718	58,660
2003-04	115,880	69,580	60%	2,936	42,200	1,714	24,640	4,651	66,840
2004-05	81,120	49,980	62%	2,575	51,520	1,282	25,650	3,857	77,180
2005-06	57,250	26,660	47%	1,545	57,910	681	25,550	2,225	83,460
2006-07	49,360	16,900	34%	1,145	67,800	422	24,970	1,567	92,770
2007-08	29,130	11,960	41%	934	78,130	303	25,340	1,237	103,470
2008-09	9,150	2,860	31%	234	81,840	73	25,410	307	107,250

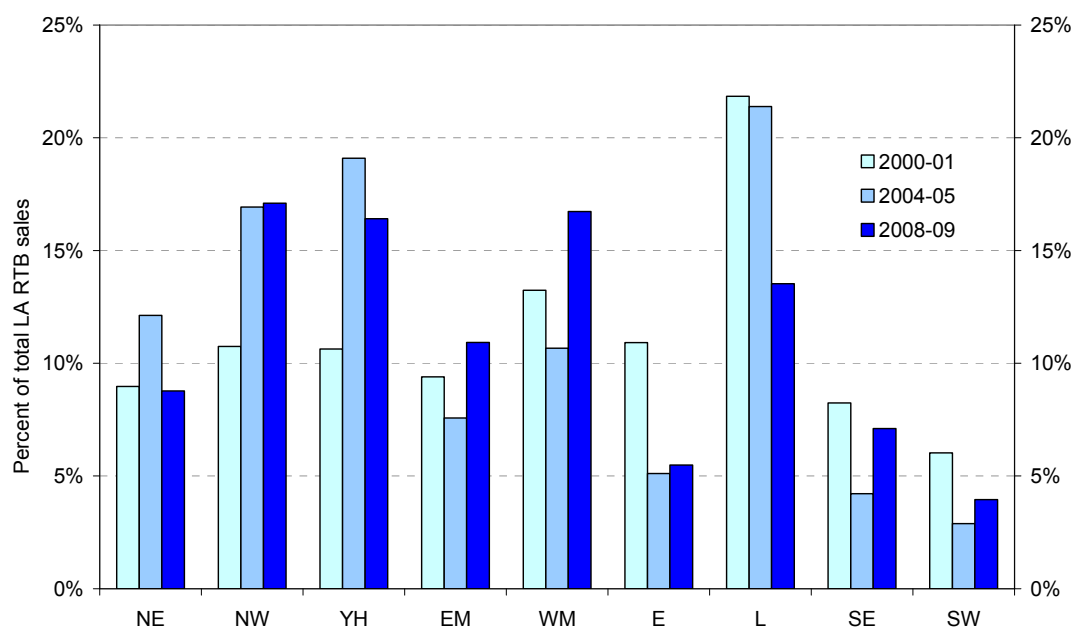
1. All financial data are shown in nominal prices and do not take account of inflationary changes.

2. A small number of applications are not successful at the initial stage; successful applications represent around 90% of all applications. Tenants who meet the RTB qualifying criteria are entitled to purchase their homes if they can secure finance to do so.

There were 9,150 Right to Buy applications for Local Authority stock in 2008-09, a decrease of 69% from 2007-08. Whilst there is a time lag between the application being made and the sale completing, the 2,860 sales represent 31% of applications in 2008-09. This is lower than that observed in earlier years when around 40-60% of applications led to a sale.

The average market value of local authority properties purchased through the Right to Buy scheme in 2008-09 was £107,250, a 4% increase on the average market value of £103,470 in 2007-08. Average discounts remained about the same at just over £25,000 (24% of market value), while average capital receipts increased from £78,130 to £81,840. Due to the lower levels of sales in 2008-09, total capital receipts declined to £234 million, just one-quarter of the Local Authority capital receipts in 2007-08.

Figure 5: Local Authority Right to Buy sales by region



From 1987-88 to 2004-05, most local authority Right to Buy sales took place in London (selected years are illustrated in Figure 5, full data are available in Live Table 670). In recent years, the regional distribution of sales has shifted slightly with most sales (17% each) being in the North West and West Midlands regions in 2008-09.

Registered Social Landlord Right to Buy sales in England

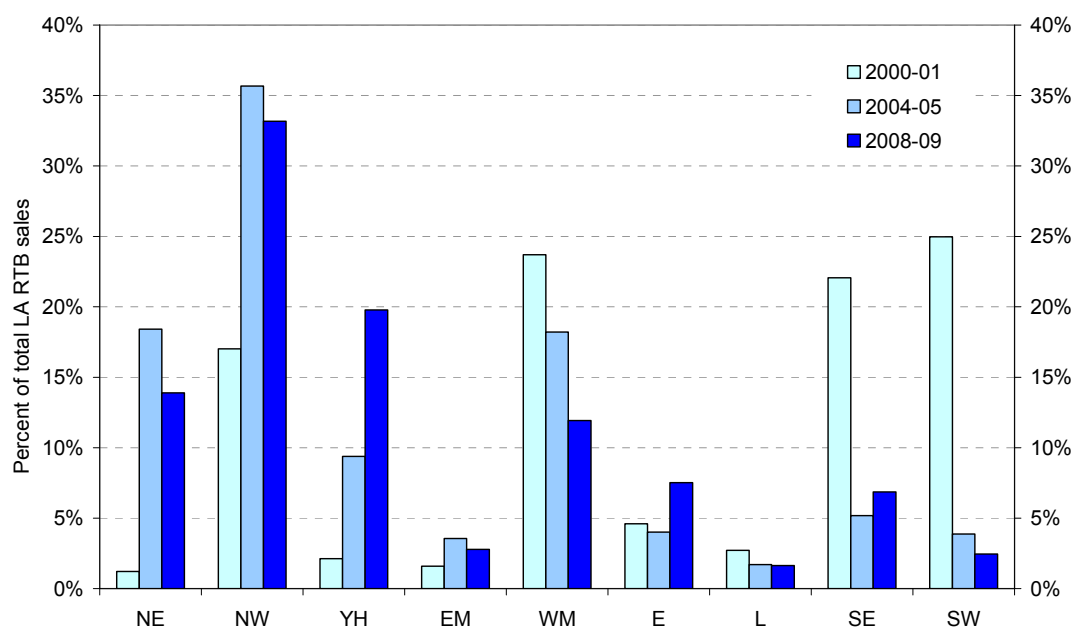
Table 4: Registered Social Landlord Right to Buy sales by financial data¹

Year	Number of sales	Average Capital Receipts per property (£)	Average Discount per property (£)	Average Market Value per property (£)
1999-00	7,250	27,060	25,970	53,220
2000-01	7,100	27,400	24,860	52,520
2001-02	8,220	26,690	23,600	50,780
2002-03	10,470	32,500	26,300	59,370
2003-04	14,530	33,200	25,420	58,640
2004-05	8,670	37,600	26,590	64,210
2005-06	6,360	45,010	27,150	72,160
2006-07	4,840	53,460	28,390	81,960
2007-08	3,150	62,630	27,120	89,750
2008-09	1,000	72,230	26,940	99,170

1. All financial data are shown in nominal prices and do not take account of inflationary changes.

The average market value of the 1,000 Registered Social Landlord properties purchased through Preserved Right to Buy in 2008-09 was £99,170, a 10% increase from £89,750 in 2007-08. Average discounts fell from £27,120 (30% of market value) per property in 2007-08 to £26,940 (27% of market value) in 2008-09, while average capital receipts increased from £62,630 to £72,230.

Figure 6: Registered Social Landlord Right to Buy sales by region



From 2002-03, most Registered Social Landlord Right to Buy sales have taken place in the North West region (selected years are illustrated in Figure 6, full data are available in Live Table 675). In 2008-09, 33% of sales were in the North West and only 2% of sales were in London.

Right to Acquire sales in England

Table 5: Right to Acquire sales

	Right to Acquire sales	
	Number	% Change
1999-00	..	
2000-01	20	350%
2001-02	40	111%
2002-03	110	192%
2003-04	240	113%
2004-05	410	74%
2005-06	470	15%
2006-07	570	21%
2007-08	540	-5%
2008-09	180	-66%

Key: ".." = less than 5 sales

The Right to Acquire scheme was introduced in 1997-98, but the first sales were not completed until 1999-00. In 2008-09, 180 Registered Social Landlord homes were sold through the Right to Acquire scheme in England, a decrease from 540 sales in 2007-08. Almost 2,600 homes have been sold through the Right to Acquire scheme since it was introduced. Regional figures are not presented due to the low number of sales in some regions.

Social HomeBuy sales in England

Table 6: Social HomeBuy sales

	Local Authority Social HomeBuy sales	Registered Social Landlord Social HomeBuy sales	Total Social HomeBuy sales	
	Number	Number	Number	% Change
2006-07	0	50	50	
2007-08	..	160	160	234%
2008-09	10	90	100	-41%

Key: ". ." = less than 5 sales

Social HomeBuy was introduced in 2006-07. In 2008-09, 100 Local Authority and Registered Social Landlord homes were sold through the Social HomeBuy scheme in England, a decrease of 37% from 160 sales in 2007-08.

Data collection

Local Authority social housing sales figures are collected from the P1B Quarterly Housing Monitoring returns supplied by Local Authorities to Communities and Local Government. This gives information at district level for all Local Authority council house sales as well as housing capital expenditure.

Registered Social Landlord social housing sales figures are from Regulatory and Statistical Returns (RSR) and Continuous Recording (CORE) returns supplied to the Tenant Services Authority (TSA) by RSLs.

Registered Social Landlord Right to Acquire sales are from the Homes and Communities Agency (HCA) Investment Management System (IMS).

Social HomeBuy figures are from a combination of P1B returns (for Local Authority Social HomeBuy sales) and IMS (for Registered Social Landlord Social HomeBuy sales).

All figures are presented rounded to the nearest 10 units.

Strengths and weaknesses of the data

Local Authority returns (P1B form):

Some local authorities do not own any stock and so cannot make any social housing sales. Only stock holding authorities are requested to make a P1B return. In 2008-09 there were 189 stock holding authorities, of which 179 made a complete P1B return. The level of social housing sales is estimated for non-responding authorities who own more than 100 units. Estimates are made by applying the average ratio of sales to stock in each region for responding authorities to the level of stock held by missing authorities in that region. Sales were estimated for 10 local authorities in

2008-09 and this estimated data accounted for 4% of the total estimated sales.

Registered Social Landlord returns:

All social landlords that are registered with the TSA make an annual Regulatory and Statistical Return (RSR) which includes data on all their sales. The RSR sales data is not reported by geographical area and therefore the regional distribution of these sales needs to be estimated. This is done by using information from the Continuous Recording (CORE) returns. CORE returns are only required from RSLs with at least 250 units or bedspaces. Regional proportions are taken from CORE sales and applied to the total number of sales reported through the RSR. This method assumes that the regional distribution of any sales not reported on CORE, such as those by small RSLs, is the same as those for larger RSLs. In 2008-09, approximately 61% of Right to Buy and Preserved Right to Buy sales made by RSLs were recorded on the CORE returns.

The RSR does not ask RSLs to provide financial information on their sales of stock. However, CORE returns do include financial data on social housing sales. As CORE does not provide complete coverage of all sales, and there are no estimates made for the sales not covered by CORE, the financial information from CORE are shown as simple average values.

Regional figures and financial data are not shown for either Right to Acquire or Social HomeBuy sales due to a small number of sales under each scheme.

The Homes and Communities Agency (HCA) Investment Management System (IMS) contains information provided by RSLs that have applied to receive grant, and shows the number of Right to Acquire and RSL Social HomeBuy figures. These are reported through the RSR, but the IMS figures are used here because they are based on grant funded completions, and do not include any voluntary sales.

Accompanying tables

Accompanying tables are available to download alongside this release at

<http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/socialhousing/livetable/>

Table 643: Financial data on local authority homes sold through the Right to Buy scheme, by region.

Table 648: Local Authority stock sold through Right to Buy and other council house sales by district and region.

Table 670: Local Authority stock sold through the Right to Buy scheme, by region.

Chart 671: Local Authority and Registered Social Landlord stock sold through the Right to Buy scheme.

Table 672: Local Authority stock sold through the Right to Buy scheme, by region (quarterly).

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- Table 674: All sales of Local Authority stock (including transfers to Registered Social Landlords), by region.
- Table 675: Registered Social Landlord stock sold through the Right to Buy scheme, by region.
- Chart 676: All sales of Local Authority stock (including transfers to Registered Social Landlords).
- Table 677: Registered Social Landlord stock sold through the Right to Acquire scheme.
- Table 678: Total social housing sales to sitting tenants.
- Chart 679: Total social housing sales to sitting tenants.
- Chart 680: All sales of Registered Social Landlord stock.
- Chart 681: Percent of Right to Buy sales that were flats.
- Table 682: Financial data on Registered Social Landlord homes sold through right-to-buy, by region.
- Table 683: All Social HomeBuy sales.

Background notes

1. Figures on social housing sales only include the number of outright sales to sitting tenants. These include sales under Right to Buy (RTB), Preserved Right to Buy (PRTB), Right to Acquire (RTA), Social HomeBuy (SHB), Voluntary Purchase Grant (VPG), and other outright or shared equity sales to sitting tenants. Sales of other kinds, such as shared ownership sales, stock transfers to Registered Social Landlords, either from Local Authorities or other RSLs, and demolitions **are not** included in the total social housing sales figures.
2. The Right to Buy scheme (RTB) was introduced by the 1980 Housing Act with effect from October 1980. RTB is available to:
 - a. secure tenants of local authorities and RSLs
 - b. RSL assured tenants who have been transferred with their homes as part of a stock transfer from a local authority to a RSL - these tenants have a Preserved RTB

Qualifying tenants may purchase the home they rent from their social landlord at a discount.
3. The Right to Acquire (RTA) scheme was introduced by the Housing Act 1996 with effect from 1 April 1997. The scheme enables eligible housing association tenants living in qualifying properties to buy their rented home at a discount. RTA only applies to properties built or acquired by housing associations, both charitable and non charitable, with public funds from 1 April 1997 onwards. Properties transferred from a local authority to a housing association after 1 April 1997 are also eligible. Some properties are exempt from RTA including sheltered housing and homes located in small rural settlements.

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4. Social HomeBuy (SHB) is a voluntary scheme which was introduced in April 2006. It enables tenants of participating local authorities and housing associations to buy a share of between 25% and 100% in their rented home. SHB helps in particular housing association tenants who do not have the Right to Buy or Right to Acquire, and social tenants who cannot afford outright purchase. Tenants receive a discount on the initial share purchased and on any additional shares they buy. This is equivalent to the Right to Acquire discount (between £9,000 and £16,000 - depending upon the local authority area in which the property is located), pro-rata to the share purchased.
 5. Voluntary Purchase Grant (VPG) was a voluntary scheme which enabled tenants of participating housing associations to buy their rented home outright at a discount. The scheme helped tenants who did not have the Right to Buy or Right to Acquire. VPG was replaced by Social HomeBuy in April 2006.
 6. The figures do not include sales and transfers between LAs and RSLs. There were 46,000 Large Scale Voluntary Transfers (LSVTs) of local authority stock to RSLs, and 6,260 sales and transfers between RSLs in 2008-09, which are not included in the figures.
 7. These statistics relate to England only. Statistics for the devolved administrations can be found at;
 - Wales
[\[http://wales.gov.uk/topics/statistics/headlines/housing2009/hdw200906173/?lang=en\]](http://wales.gov.uk/topics/statistics/headlines/housing2009/hdw200906173/?lang=en)
 - Scotland
[\[http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/SalesSittingTenants\]](http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/SalesSittingTenants)
 - Northern Ireland
[\[http://www.dsdni.gov.uk/housing_statistics_2007-2008_release_4_november.doc\]](http://www.dsdni.gov.uk/housing_statistics_2007-2008_release_4_november.doc) (Table 4.8)
 8. The next release is expected to be published in August 2010 and will cover social housing sales during 2009-10. Feedback provided on this release will be reflected in the next release.

User consultation

1. Communities and Local Government have previously published regular statistics on Right to Buy sales in their Live Tables. In line with the new Code of Practice for Official Statistics, these data are now presented in a Statistical Release and brought together with other data on social housing sales.
2. As this is the first time that these statistics have been presented in this format users are encouraged to provide feedback on this release to the "statistical enquiries" contact given below.

Enquiries

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