

## **Appendix 1 - SKDC Policy Note: Right to Buy Statistics 2022/23**

### **Purpose and Key Statistics**

- 1.1 This report summarises Right to Buy (RTB) statistics for South Kesteven District Council (SKDC). Four comparison groups have been selected:
- Group 1 - National and regional trends presented as per 1000 stock.
  - Group 2 - Authorities with a similar sized portfolio (10% parameters (plus & minus) on SKDC's portfolio of 5912 dwellings (as of 31 March 2023)).
  - Group 3 - SKDC's CIPFA Nearest Neighbours 2023.
  - Group 4 - Lincolnshire authorities.
- 1.2 Statistics are presented for latest available financial year (2022/23). The principal examined period is the decade 2013/14-2022/23. Where relevant, SKDC's figures have been contextualised relative to other English local authorities with housing portfolios by calculating SKDC's decile placing. In this presentation Decile 9 equals a placing in the top 20% of relevant English local authorities, Decile 2 in the bottom 20% of English local authorities, Deciles 6+ in the top half of English local authorities for a given indicator.
- 1.3 Key statistics for South Kesteven are:
- SKDC's portfolio stood at 5912 dwellings (as of 31 March 2023) (Decile 5). The median portfolio nationally is 6033 dwellings.
  - SKDC sold 42 properties via RTB in 2022/23 (Decile 6). This is 0.71% of its total portfolio. Over the last decade SKDC has sold a total of 451 properties (Decile 6). On average over this period SKDC sold 45 properties annually (0.75% of total portfolio).
  - SKDC generated receipts of £3,616,000 in 2022/23 (Decile 5). This is a 19.64% increase on 2021/22. Over the last decade annual receipts have averaged £2,868,000. Receipts peaked in 2018/19 at £4,387,000.
  - The average receipt per dwelling was £86,106 (Decile 4). The average receipt nationally was £101,713. The average receipt for the East Midlands was £66,220. Average receipts have increased by 11.1% on 2021/22 and 83.96% on 2013/14.
  - Over the last decade receipts have funded 105 replacements (starts & acquisitions Decile 4). This gives SKDC a total replacement rate of 23.23% (Decile 4). The replacement rate for the East Midlands was 26.74% and England was 35.96%.
- 1.4 Key conclusions for South Kesteven (presented in Table 1) are:
- The portfolio is being sold at a faster rate than national and county trends, and the median of CIPFA Nearest Neighbours.

- Average receipts per property lag behind the national average but are impressive for the region and higher than the median of SKDC's CIPFA Nearest Neighbours. SKDC's average receipts are the highest in Lincolnshire.
- The replacement rate (Total Sales/Total Replacements) over the last decade was in line with CIPFA Nearest Neighbours and regional trends, however below the national rate and the median rate of authorities with comparably sized portfolios. Neither SKDC or any of the comparison groups have achieved a positive replacement rate to either maintain or grow their portfolios in response to RTB sales. A minority of authorities have achieved this.

**Table 1: Summary of Key Statistics by Comparison Group**

	<b>Housing Portfolio (31 March 2023)<sup>1</sup></b>	<b>Total sales 2013/14 - 2022/23<sup>2</sup></b>	<b>Average % of portfolio sold annually 2013/14-2022/23</b>	<b>Average receipt per dwelling 2022/23 (£000)<sup>3</sup></b>	<b>Total replacements 2013/14 - 2022/23 (starts and acquisitions)<sup>4</sup></b>	<b>Replacement Rate 2013/14 - 2022/23</b>
South Kesteven	5912	452	0.75%	£86.11	105	23.23%
East Midlands	170846	15895	0.90%	£66.22	4251	26.74%
England	835544	112092	0.70%	£101.71	40304	35.96%
Group 2 (median)	5643	358	0.56%	£105.16	148	56.80%
Group 3 (median)	4697	265	0.51%	£81.88	58.5	23%
Group 4 (median)	3997	337	0.56%	£77.79	110	32.59%

## National and Regional Comparisons

- 1.5 To enable the comparison of different geographies, RTB data has been presented per 1000 local authority stock for 2022/23 (Table 2) and the period 2017/18-2022/23 averaged (Table 2 & Figure 1).
- 1.6 The key trend is shrinking portfolios from RTB sales. This is true at the county, regional and national level. No geography is able to fully replace the losses. In 2022/23, SKDC saw a net change of minus 6 (rounded) per 1000

<sup>1</sup> Local Authority Housing Statistics tables 2022-2023, sheet A: Dwelling Stock, Column G -

[Local Authority Housing Statistics 2022-23.ods \(live.com\)](#)

<sup>2</sup> Right to Buy sales: Table 691 (sheet LT\_691a\_1) - [Table 691 annual: Right to Buy sales, by local authority](#)

<sup>3</sup> Receipts from Eligible Sales: Table 692 (totals – sheet LT\_692a, averages – sheet LT\_692b) - [Table 692 annual: Right to Buy receipts, by local authority](#)

<sup>4</sup> Replacements: Table 692 (starts & acquisitions – sheet LT\_693a, completions – sheet LT\_693d) - Table 693 annual: replacements of Right to Buy sales, by local authority

properties. For every 1000 properties, SKDC sold 7 and completed 1. This is in line with county trends, also a net loss of 6 properties per 1000. The figure for England minus 5 properties per 1000 and minus 9 for the East Midlands.

<b>Table 2: Portfolio Change per 1000 Stock – South Kesteven vs Comparators</b>									
		<b>2022/23</b>				<b>2017/18-2022/23 (averaged)</b>			
		SKDC	Lincs.	E. Mids.	Eng.	SKDC	Lincs.	E. Mids.	Eng.
Gains	Acquisitions	0	0.70	0.84	0.82	0.34	1.29	1.40	1.43
	Completions	0.85	0.23	1.15	2.16	1.27	1.10	1.93	1.61
	Total	0.85	0.93	1.99	2.9	1.61	2.39	3.34	3.04
Losses	Sales	7.10	6.80	9.81	7.19	7.89	6.73	9.69	6.68
	Demolitions <sup>5</sup>	0	0.61	0.99	1.2	0	0.66	0.61	1.28
	Total	7.10	7.41	10.8	8.41	7.89	7.41	10.30	7.97
<b>Net Change</b>		<b>-6.26</b>	<b>-6.47</b>	<b>-8.81</b>	<b>-5.43</b>	<b>-6.28</b>	<b>-5.00</b>	<b>-6.96</b>	<b>-4.93</b>

- 1.7 Nationally there is significant variation in RTB sales by region. In 2022/23, approximately 50% of total RTB sales occurred in 21 authorities. These are large urban centres: Leeds, Birmingham, Sheffield, Nottingham, Leicester etc. The regions with the most sales were London, Yorkshire, and the Midlands. The delivery of replacements is similarly concentrated in a minority of authorities, largely located in London and the East of England.
- 1.8 Regional variation occurs due the following reasons:
- The amount of local authority housing stock
  - Maximum Right to Buy discounts. London has a higher maximum discount compared to other regions.
  - The local house prices.

<sup>5</sup> Demolitions – Social Housing Sales Open Data - [Live tables on social housing sales - GOV.UK \(www.gov.uk\)](https://www.gov.uk/live-tables-on-social-housing-sales)

- 1.9 Considering the period 2017/18-2022/23, the 2022/23 trends apply (Figure 1<sup>6</sup>). On average SKDC saw a net loss of 6 properties per 1000 annually, selling 8 (rounded) and acquiring 2 (rounded).

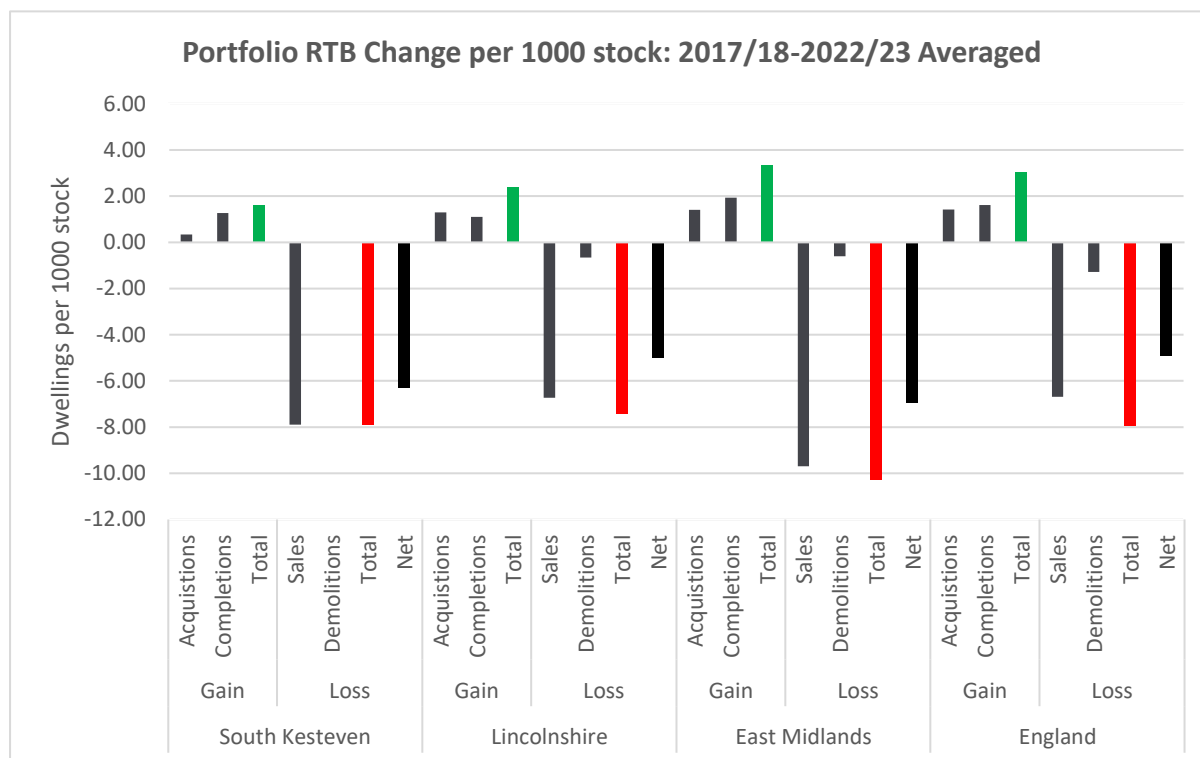


Figure 1 - Source: DLUHC, Live Tables on Social Housing Sales

## Comparison Group 2 – Portfolio Size

- 1.10 The data discussed in this section is presented in Table 3 (page 6).
- 1.11 The eighteen comparators (excl. SKDC) were selected by housing portfolio size. Each authority was within 10% parameters (plus & minus) of SKDC's portfolio of 5912 dwellings (as of 31 March 2023).
- 1.12 The areas are extremely varied in character consisting of both urban and rural, severe deprivation and comparative affluence. That diversity necessarily limits the conclusions that can be drawn. There is little linking South Kesteven and Slough beyond similar sized portfolios and number of annual Right to Buy sales, as demonstrated by the significant difference in average sale price and total receipts. Disposals and replacements will be shaped by local market conditions and political priorities; however, the

<sup>6</sup> Sales – Table 691 annual: Right to Buy sales by local authority (sheet LT\_691b) - [LT\\_691.ods \(live.com\)](https://live.com/LT_691.ods)  
 Demolitions – Social Housing Sales Open Data - [Live tables on social housing sales - GOV.UK \(www.gov.uk\)](https://www.gov.uk/live-tables-on-social-housing-sales)

comparison provides an insight into the variability of authorities with portfolios of approximately 5800 dwellings on average.

- 1.13 In 2022/23, South Kesteven sold 42 properties (0.71%) of its total portfolio via Right to Buy (columns D & E). This is consistent with trends over the past decade (2013/14-2022/23 columns F & G). On average South Kesteven has sold 45 properties annually, or 0.75% of its portfolio. The median disposal rate over this period for the comparator group was 0.62% (36 properties). The rate for the East Midlands was 0.90% and 0.70% for England.
- 1.14 Replacement has not kept pace with disposals (a theoretical 1 in 1 out would give a replacement rate of 100%). South Kesteven has acquired 105 properties (via construction starts and acquisitions) over the period 2013/14-2022/23 – a replacement rate of 23.23% (column M). There have been 46 completions. Over the same period there were 452 disposals (column H). The median replacement rate of the comparator group is 56.80%. The replacement rate for the East Midlands is 26.74% and England is 35.96% (column N).
- 1.15 A small minority of the comparator authorities have achieved replacement rates exceeding 100% and so have grown their portfolios over the past decade. These are Somerset West & Taunton, South Cambridgeshire, and Warwick. A further four authorities have replacement rates exceeding 75%: Central Bedfordshire, Epping Forest, Gravesham and Slough.

### **Comparison Group 3 – CIPFA Nearest Neighbours**

- 1.16 The data discussed in this section is presented in Table 4 (page 7).
- 1.17 The CIPFA nearest neighbours are authorities considered statistically similar to South Kesteven on a range of geographic, demographic and socio-economic characteristics.
- 1.18 Of the 15 authorities (excl. South Kesteven) only seven possess significantly sized housing portfolios. The remainder either do not have housing portfolios or the total stock numbers under 200 dwellings. Two authorities (Bassetlaw, and Newark & Sherwood) have portfolios broadly comparable to South Kesteven. Note Newark & Sherwood is also in Comparison Group 2.
- 1.19 In 2022/23, South Kesteven sold 42 properties (0.71%) of its total portfolio. The median disposal rate for this comparator group was 0.59% (2022/23). Median average receipts per property were £81,880 and the total replacement rate over the last decade was 23%. South Kesteven's average receipts were £86,110. Only two authorities achieved a replacement rate over 50%: Newark & Sherwood (56.06%) and Stroud (64.22%). Note both authorities have sold in the region of half the properties South Kesteven has in the last decade.

### **Comparison Group 4 - Lincolnshire Authorities**

- 1.20 The data discussed in this section is presented in Table 5 (page 8).

- 1.21 Of the seven Lincolnshire districts, only four have stock portfolios of comparable size. Boston and East Lindsey do not own any dwellings, whilst West Lindsey's portfolio stands at eight.
- 1.22 The median disposal rate for this comparator group was 0.93% (2022/23). Median average receipts per property were £77,790 and the total replacement rate over the last decade was 32.59%. South Kesteven has the highest receipts per property in the county. North Kesteven have successfully grown their portfolio over the last decade with a replacement rate of 123.90%. No other authority has a replacement rate above 30%.

Table 3: Right to Buy sales, receipts and replacements: 2022/2023 – South Kesteven vs Comparators (Portfolio Size)													
Area			Sales <sup>7</sup>					Receipts <sup>8</sup>		Replacements <sup>9</sup>			
A - Authority	B - IMD 2019 Decile Placing (10 = top 10% of least deprived in England)	C - Total dwellings owned by the local authority 31 March 2023 (including PFI and shared ownership) <sup>10</sup>	D - Annual Eligible Sales 2022-23 <sup>11</sup>	E - % of portfolio sold 2022/23 (sales/total dwellings)	F - Average % of portfolio sold annually 2013/14-2022/23	G- Average annual sales (2013/14 – 2022/23)	H - Total Sales 2013/14 - 2022/23	I - Total receipts 2022/23 (£000s)	J - Average receipt per dwelling 2022/23 (£000)	K - Number of replacements 2022/23 (starts and acquisitions)	L - Number of replacements 2022/23 (completions)	M - Total replacements 2013/14 - 2022/23 (starts and acquisitions)	N - Replacement Rate over 2013/14 - 2022/23
Central Bedfordshire	8	5456	25	0.46%	0.52%	27.50	275	£3,637.02	£145.48	6	59	243	88.36%
Charnwood	8	5482	28	0.51%	0.74%	41.50	415	£2,417.00	£86.32	4	0	48	11.57%
Cheshire West & Chester	6	5323	43	0.81%	0.85%	46.60	466	£2,296.23	£53.40	16	0	16	3.43%
Colchester	6	5935	38	0.64%	0.65%	38.70	387	£5,381.82	£141.63	20	0	248	64.08%
Epping Forest	7	6392	14	0.22%	0.48%	31.00	310	£3,052.87	£218.06	0	19	243	78.39%
Gravesham	4	5643	39	0.69%	0.52%	29.30	293	£5,390.31	£138.21	0	23	273	93.17%
Great Yarmouth	1	5736	40	0.70%	0.61%	35.80	358	£2,646.21	£66.16	7	0	84	23.46%
Mansfield	2	6348	26	0.41%	0.55%	35.40	354	£1,455.55	£55.98	0	4	36	10.17%
Newark & Sherwood	5	5531	17	0.31%	0.48%	26.40	264	£1,424.82	£83.81	2	7	148	56.06%
Nuneaton & Bedworth	3	5630	32	0.57%	0.64%	36.70	367	£2,068.90	£64.65	2	0	63	17.17%
Redditch	4	5516	38	0.69%	0.92%	53.00	530	£2,871.14	£75.56	0	0	128	24.15%
Slough	4	6032	25	0.41%	0.67%	42.00	420	£5,367.13	£214.69	0	0	354	84.29%
Somerset West and Taunton	5	5591	28	0.50%	0.62%	35.50	142	£2,944.40	£105.16	6	0	206	145.07%
South Cambridgeshire	10	5601	24	0.43%	0.41%	22.13	221	£4,768.55	£198.69	53	91	329	148.87%
South Kesteven	8	5912	42	0.71%	0.75%	45.20	452	£3,616.46	£86.11	0	5	105	23.23%
Southend-on-Sea	4	6033	15	0.25%	0.34%	20.60	206	£2,312.30	£154.15	10	0	117	56.80%
Sutton	8	6036	41	0.68%	0.75%	44.80	448	£8,388.30	£204.59	0	0	315	70.31%
Warwick	9	5539	31	0.56%	0.58%	32.00	320	£3,868.67	£124.80	40	0	424	132.50%

<sup>7</sup> Right to Buy sales: Table 691 (sheet LT\_691a\_1) - [Table 691 annual: Right to Buy sales, by local authority](#)

<sup>8</sup> Receipts from Eligible Sales: Table 692 (totals – sheet LT\_692a, averages – sheet LT\_692b) - [Table 692 annual: Right to Buy receipts, by local authority](#)

<sup>9</sup> Replacements: Table 692 (starts & acquisitions – sheet LT\_693a, completions – sheet LT\_693d) - [Table 693 annual: replacements of Right to Buy sales, by local authority](#)

<sup>10</sup> Local Authority Housing Statistics tables 2022-2023, sheet A: Dwelling Stock, Column G - [Local Authority Housing Statistics 2022 23.ods \(live.com\)](#)

<sup>11</sup> Eligible defined as subject to The Local Authorities (Capital Finance and Accounting) Regulations 2012)

West Lancashire	5	5830	68	1.17%	0.93%	55.30	553	£3,330.23	£48.97	0	37	71	12.84%
Median of Comparators	5	5643	31	0.56%	0.62%	35.80	358	£3,052.87	£105.16	2	0	148	56.80%
East Midlands (total)	N/A	170846	1646	0.96%	0.90%	1589.50	15895	£108,998.90	£66.22	441	196	4251	26.74%
England (total)	N/A	835544	10895	1.30%	0.70%	11209.20	112092	£1,108,212.54	£101.71	3200	3,398	40304	35.96%

Table 4: Right to Buy sales, receipts and replacements: 2022/2023 – South Kesteven vs Comparators (CIPFA Peers 2023)													
Area			Sales <sup>12</sup>					Receipts <sup>13</sup>		Replacements <sup>14</sup>			
A - Authority	B - IMD 2019 Decile Placing (10 = top 10% of least deprived in England)	C - Total dwellings owned by the local authority 31 March 2023 (including PFI and shared ownership) <sup>15</sup>	D - Annual Eligible Sales 2022-23 <sup>16</sup>	E - % of portfolio sold 2022/23 (sales/total dwellings)	F - Average % of portfolio sold annually 2013/14-2022/23	G - Average annual sales (2013/14 – 2022/23)	H - Total Sales 2013/14 - 2022/23	I - Total receipts 2022/23 (£000s)	J - Average receipt per dwelling 2022/23 (£000)	K - Number of replacements 2022/23 (starts and acquisitions)	L - Number of replacements 2022/23 (completions)	M - Total replacements 2013/14 - 2022/23 (starts and acquisitions)	N - Replacement Rate over 2013/14 - 2022/23
Amber Valley	6	27	0	0.00%	0.00	0	0	£0.00	£0.00	0	0	0	0.00%
Bassetlaw	4	6549	49	0.75%	0.55%	36.8	368	£2,824.92	£57.65	2	0	43	11.68%
Braintree	7	8	0	0.00%	0.00	0	0	£0.00	£0.00	0	0	0	0.00%
Breckland	5	41	0	0.00%	0.00	0	0	£0.00	£0.00	0	0	0	0.00%
Broxtowe	7	4358	27	0.62%	0.60%	26.6	266	£2,106.43	£72.64	6	0	59	22.18%
Chorley	6	149	0	0.00%	0.00	0	0	£0.00	£0.00	0	0	0	0.00%
Gedling	7	188	0	0.00%	0.00	0	0	£0.00	£0.00	0	0	0	0.00%
Harrogate	9	3935	13	0.33%	0.48%	18.7	187	£1,462.50	£112.50	17	1	58	31.02%
High Peak	7	3831	34	0.89%	0.64%	25.1	251	£2,031.73	£59.76	3	0	18	7.17%
Hinckley and Bosworth	8	3209	28	0.87%	0.85%	27.8	278	£2,238.68	£79.95	7	3	31	11.15%
Mendip	6	0	0	0.00%	0.00	0	0	£0.00	£0.00	0	0	0	0.00%
Newark & Sherwood	5	5531	17	0.31%	0.48%	26.4	264	£1,424.82	£83.81	2	7	148	56.06%

<sup>12</sup> Right to Buy sales: Table 691 (sheet LT\_691a\_1) - [Table 691 annual: Right to Buy sales, by local authority](#)

<sup>13</sup> Receipts from Eligible Sales: Table 692 (totals – sheet LT\_692a, averages – sheet LT\_692b) - [Table 692 annual: Right to Buy receipts, by local authority](#)

<sup>14</sup> Replacements: Table 692 (starts & acquisitions – sheet LT\_693a, completions – sheet LT\_693d) - [Table 693 annual: replacements of Right to Buy sales, by local authority](#)

<sup>15</sup> Local Authority Housing Statistics tables 2022-2023, sheet A: Dwelling Stock, Column G - [Local Authority Housing Statistics 2022 23.ods \(live.com\)](#)

<sup>16</sup> Eligible defined as subject to The Local Authorities (Capital Finance and Accounting) Regulations 2012)



South Kesteven	8	5912	42	0.71%	0.75%	45.2	452	£3,616.46	£86.11	0	5	105	23.23%
Stafford	8	0	0	0.00%	0.00	0	0	£0.00	£0.00	0	0	0	0.00%
Stroud	9	5037	25	0.50%	0.43	21.8	218	£3,093.06	£123.72	0	24	140	64.22%
West Suffolk	6	55	0	0.00%	0.00%	0	0	£0.00	£0.00	0	0	0	0.00%
Median of Comparators	7	4697.5	27.5	0.59%	0.51%	26.5	265	£2,172.55	£81.88	2.5	2	58.5	23%
East Midlands (total)	N/A	170846	1646	0.96%	0.90%	1589.5	15895	£108,998.90	£66.22	441	196	4251	26.74%
England (total)	N/A	835544	10895	1.30%	0.70%	11209.2	112092	£1,108,212.54	£101.71	3200	3398	40304	35.96%

Table 5: Right to Buy sales, receipts and replacements: 2022/2023 – South Kesteven vs Comparators (Lincolnshire)													
Area			Sales <sup>17</sup>					Receipts <sup>18</sup>		Replacements <sup>19</sup>			
A - Authority	B - IMD 2019 Decile Placing (10 = top 10% of least deprived in England)	C - Total dwellings owned by the local authority 31 March 2023 (including PFI and shared ownership) <sup>20</sup>	D - Annual Eligible Sales 2022-23 <sup>21</sup>	E - % of portfolio sold 2022/23 (sales/total dwellings)	F - Average % of portfolio sold annually 2013/14-2022/23	G- Average annual sales (2013/14 – 2022/23)	H - Total Sales 2013/14 - 2022/23	I - Total receipts 2022/23 (£000s)	J - Average receipt per dwelling 2022/23 (£000)	K - Number of replacements 2022/23 (starts and acquisitions)	L - Number of replacements 2022/23 (completions)	M - Total replacements 2013/14 - 2022/23 (starts and acquisitions)	N - Replacement Rate over 2013/14 - 2022/23
Boston	4	0	0	0.00%	0.00%	0	0	£0.00	£0.00	0	0	0	0.00%
East Lindsey	2	0	0	0.00%	0.00%	0	0	£0.00	£0.00	0	0	0	0.00%
Lincoln	2	7766	48	0.62%	0.64%	49.3	493	£2,837.50	£59.11	8	0	115	23.33%
North Kesteven	9	3997	21	0.53%	0.53%	20.5	205	£1,549.39	£73.78	0	0	254	123.90%

<sup>17</sup> Right to Buy sales: Table 691 (sheet LT\_691a\_1) - [Table 691 annual: Right to Buy sales, by local authority](#)

<sup>18</sup> Receipts from Eligible Sales: Table 692 (totals – sheet LT\_692a, averages – sheet LT\_692b) - [Table 692 annual: Right to Buy receipts, by local authority](#)

<sup>19</sup> Replacements: Table 692 (starts & acquisitions – sheet LT\_693a, completions – sheet LT\_693d) - [Table 693 annual: replacements of Right to Buy sales, by local authority](#)

<sup>20</sup> Local Authority Housing Statistics tables 2022-2023, sheet A: Dwelling Stock, Column G - [Local Authority Housing Statistics 2022\\_23.ods \(live.com\)](#)

<sup>21</sup> Eligible defined as subject to The Local Authorities (Capital Finance and Accounting) Regulations 2012)

South Holland	6	3786	32	0.85%	0.58%	22.3	223	£2,617.74	£81.80	7	0	65	29.15%
South Kesteven	8	5912	42	0.71%	0.75%	45.2	452	£3,616.46	£86.11	0	5	105	23.23%
West Lindsey	5	8	0	0.00%	0.00%	0	0	£0.00	£0.00	0	0	0	0.00%
Median of Comparators	5	3997	37	0.93%	0.56%	33.75	337.50	£2,727.62	£77.79	3.5	0	110	32.59%
East Midlands (total)	N/A	170846	1646	0.96%	0.90%	1589.5	15895	£108,998.90	£66.22	441	196	4251	26.74%
England (total)	N/A	835544	10895	1.30%	0.70%	11209.2	112092	£1,108,212.54	£101.71	3200	3398	40304	35.96%