

## Right to Buy Data

- 2.1 The Housing Act 1980 gave local authority tenants the statutory right to purchase their properties at heavily subsidised prices. The right to buy was conditional on the length of the tenancy and was available after three years tenancy. The minimum discount was 33%, increasing by 1% for every further year of tenancy to a maximum of 50%. The maximum discount could not exceed £50,000. The discounts had to be repaid, if the property was sold within five years of purchase. Tenants also gained the right to a mortgage from their local authorities, which was later removed by the Leasehold Reform, Housing & Urban Development Act 1993. Local authorities did not have an obligation to use the receipts to construct new social housing.
- 2.2 The Housing & Building Control Act 1984 extended the scheme to tenants on long leases and reduced the tenure requirement to two years. It also increased the discount to a maximum of 60% after 30 years tenancy.
- 2.3 The 1980 act led to a surge in sales, nationally over 100,000 properties were sold in each of the following three financial years, peaking at 167,123 sales in 1982/83. The initial sales were due to pent up demand from long term tenants who qualified for high discounts.<sup>1</sup> Annual sales averaged at 107,000 during the 1980s. The early 1990s recession and the meeting of initial demand caused sales to decline in the 1990s. Over the period 1991 to 2005, annual sales fluctuated between 30,000 and 70,000, averaging 49,000.<sup>2</sup>
- 2.4 By 1999, over 2.2 million properties had been sold, with an estimated 30% of tenants exercising their Right to Buy. The volume of sales and raised capital receipts had exceeded expectations. Home ownership rates had risen from 55% in 1979 to over 70% by 2001.
- 2.5 The scheme had a particular impact on rural areas, where the original stock of council houses was small and high house prices make owner occupation inaccessible for low-paid rural workers. In 1990, the Rural Development Commission noted that in some cases the re-sale of former council homes had placed them beyond the means of local buyers. The Housing Act 1996 exempted properties in communities smaller than 3,000 residents from the scheme, due to difficulties in providing replacements.<sup>3</sup>
- 2.6 In 1999, the Labour Government reduced the maximum discounts to between £22,000 and £38,000 depending on geography. The discounts were reduced again to £16,000 except in London and the southeast in 2003. The Housing Act

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<sup>1</sup> Eardley, F., (2022), Right to Buy: Past, Present and Future, House of Lords Library, [Right to buy: Past, present and future - House of Lords Library \(parliament.uk\)](https://www.parliament.uk/research-summaries/2022/04/right-to-buy-past-present-and-future/)

<sup>2</sup> Ibid.

<sup>3</sup> Wilson, W. (1999), The Right to Buy, Research Paper 99/36, House of Commons Library, page 14, [Right to Buy \(parliament.uk\)](https://www.parliament.uk/research-summaries/1999/04/the-right-to-buy/)

2004 increased the qualifying period from two to five years. Annual sales fell to an average of 2,600 in the late 2000s.

- 2.7 The Coalition Government sought to reinvigorate the scheme. In 2012, the maximum discount was raised to £75,000 (£100,000 for London), and the maximum percentage discount raised to 70% in 2014. The qualifying tenancy period was reduced to three years in 2015.
- 2.8 The result was annual sales averaging 11,000 over the decade 2013/14 to 2022/23, up from 5,941 in 2012/13. Sales have not returned to the levels seen prior to 2007/08.<sup>4</sup>
- 2.9 The Coalition Government also committed to a 1:1 replacement policy. Local authorities had three years to replace sold properties. In 2021 this was raised to five. Between April 2012 and March 2024, 96,145 properties were sold, and 47,864 replacements provided - a net loss of 48,281.<sup>5</sup>

## Sources

- 2.10 The key dataset for Right to Buy sales is the Local Authority Housing Statistics (LAHS).<sup>6</sup> The LAHS provides a record of annual right to buy sales from the start of the scheme in 1980/81 to 2023/24.<sup>7</sup> It also provides a record of the annual size of the Council's social housing portfolio from 1980/81 to 2022/23.<sup>8</sup>
- 2.11 Disposal data is available only from 1997/98<sup>9</sup>, replacement data from 1999/00<sup>10</sup>, and detailed disposal and replacement data from 2012/13.<sup>11</sup>
- 2.12 At the time of writing (August 2024), the full LAHS 2023/24 dataset is yet to be released so the detailed analysis on sales and replacements will focus on the period 2012/13 to 2022/23.

<sup>4</sup> Eardley, F., (2022), Right to Buy: Past, Present and Future, House of Lords Library, [Right to buy: Past, present and future - House of Lords Library \(parliament.uk\)](https://www.parliament.uk/libraries/house-of-lords/library/right-to-buy-past-present-and-future)

<sup>5</sup> Ministry of Housing, Communities & Local Government, Right to Buy sales and replacements England: April 2023 to March 2024, Section 5, July 2024, [Right to Buy sales and replacements, England: April 2023 to March 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/right-to-buy-sales-and-replacements-england-april-2023-to-march-2024)

<sup>6</sup> Ministry of Housing, Communities & Local Government (MHCLG), Local Authority Housing Statistics open data 1978-79 to 2022/23, [Local Authority Housing Statistics open data - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/datasets/local-authority-housing-statistics-open-data), interpreted with reference to the MHCLG Local Authority Housing Statistics (LAHS) Guidance 2022-23, [Title \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/115555/la-hs-guidance-2022-23.pdf)

<sup>7</sup> Social Housing Sales Open Data, Live tables on social housing sales, Ministry of Housing, Communities & Local Government (MHCLG), [Live tables on social housing sales - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/datasets/live-tables-on-social-housing-sales)

<sup>8</sup> Table 116: Local authority dwelling stock by district, Live tables on dwelling stock (including vacants), Ministry of Housing, Communities & Local Government (MHCLG), [Live tables on dwelling stock \(including vacants\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/datasets/live-tables-on-dwelling-stock-including-vacants)

<sup>9</sup> Social Housing Sales Open Data, Live tables on social housing sales, Ministry of Housing, Communities & Local Government (MHCLG), [Live tables on social housing sales - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/datasets/live-tables-on-social-housing-sales)

<sup>10</sup> Ministry of Housing, Communities & Local Government (MHCLG), Local Authority Housing Statistics open data 1978-79 to 2022/23, [Local Authority Housing Statistics open data - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/datasets/local-authority-housing-statistics-open-data), interpreted with reference to the MHCLG Local Authority Housing Statistics (LAHS) Guidance 2022-23, [Title \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/115555/la-hs-guidance-2022-23.pdf)

<sup>11</sup> Table 693 annual: Replacements of Right to Buy sales by local authority (Sheets LT\_693a\_1\_L – starts & LT\_693a\_2\_L - acquisitions), Live tables on social housing sales, Ministry of Housing, Communities & Local Government (MHCLG), [Live tables on social housing sales - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/datasets/live-tables-on-social-housing-sales)

## Right to Buy Sales in South Kesteven since 1980/81

- 2.13 Since 1980/81, 4,297 properties have been sold in South Kesteven via Right to Buy (Table 1). 44.10% of sales occurred during the first decade of the policy. An average of 172 sales per annum were completed.
- 2.14 A further 40.59% of total sales took place in the fourteen years from 1991/92 to 2004/05. The rate of sales slowed to an average of 124 per annum. In total 3,639 properties or 84.69% of total sales were completed in the first twenty-four years of the scheme.
- 2.15 From 2012/13 to 2022/23, 471 properties have been sold. 10.96% of total sales and an average of 42 per year.

Table 1: Right to Buy Sales 1980-2023, South Kesteven vs Comparators							
Period <sup>12</sup>	Average Annual Sales	Sales	Share of Total Sales	Average Sales per 1000 Stock			
				SKDC	Lincolnshire	East Midlands	England
1980/81-1990/91	172	1895	44.10%	19.26	18.95	26.04	21.84
1991/92-2004/05	124	1744	40.59%	17.11	14.93	15.51	16.14
2005/06-2011/12	26	187	4.35%	4.23	3.36	4.97	4.90
2012/13-2022/23	42	471	10.96%	7.07	6.07	8.63	6.71
<b>Total Sales</b>		<b>4,297</b>					

Table 1 - Right to Buy Sales 1980-2023, South Kesteven vs Comparators, Source: Ministry of Housing, Communities & Local Government

- 2.16 The portfolio in 1980/81 totalled an estimated **9,728** properties.<sup>13</sup> Between 1980/81 and 2022/23 there have been at least **4,641** total disposals (4297 Right to Buy sales, minimum 166 demolitions<sup>14</sup>, 128 Low-Cost Home Ownership (LCHO) sales since 2011/12 and a minimum of 50 other sales.<sup>15</sup> The Council must therefore have delivered **761** replacement properties since 1980/81 as the portfolio at 31 March 2023 was **5,848**.
- 2.17 Of those replacements **168** are confirmed to have been delivered since 1999/00, with **133** of those delivered between 2012/13 and 2022/23. SKDC must therefore have delivered **593** replacements in the period 1980/81 to 1998/99.

<sup>12</sup> The periodisation has been selected to reflect the evolving policy of various Governments. 1980/81-1990/91 covers the 'high' right to buy period of the Thatcher premiership. 1991/92-2004/25 covers the ministries of Major and Blair up to the Housing Act 2004. 2005/06-2011/12 and 2012/13-2022/23 covers the nadir of right to buy post Housing Act and the 2008 Financial Crisis, and the attempted reinvigoration pursued by the Coalition and successive Conservative governments since 2012.

<sup>13</sup> Note up to 2000, this could theoretically include properties owned by other local authorities. Whether that is the case and how many is unknown. This reporting practice ceased in 2000. The Dwelling Stock also includes properties that have been sold via Right to Buy, but where the authority has retained the freehold. It is also unknown how many properties are in that category.

<sup>14</sup> Data available from 1997/98. Unknown amount prior.

<sup>15</sup> Data available from 2001/02. Unknown amount prior.

- 2.18 In 2023/24 the Council sold 25 properties through Right to Buy of which 22 were replaced.
- 2.19 Table 2 provides details of the Right to Buy Sales by Ward for the period 2018/19 to 2023/24.

<b>Table 2: Ward Distribution of Right to Buy Sales, South Kesteven, 2018/19-2023/24</b>							
<b>Ward</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total Sales</b>
Aveland	2	2	3	3	1	0	11
Belmont	0	0	0	0	0	0	0
Belvoir	1	4	0	0	0	0	5
Bourne Austerby	0	0	0	0	0	0	0
Bourne East	1	3	1	0	0	0	5
Bourne West	2	1	0	1	0	0	4
Casewick	2	1	0	2	1	1	7
Castle	3	0	0	1	1	1	6
Deeping St James	1	2	1	0	1	1	6
Dole Wood	1	0	0	0	1	1	3
Glen	0	1	0	3	1	1	6
Grantham Arnoldfield	0	0	0	0	0	0	0
Grantham Barrowby Gate	0	0	0	0	0	0	0
Grantham Earlesfield	11	10	8	6	12	7	54
Grantham Harrowby	9	7	5	8	3	6	38
Grantham Springfield	2	1	0	0	1	0	4
Grantham St Vincent's	4	1	1	2	1	1	10
Grantham St Wulfram's	0	0	0	0	0	0	0
Isaac Newton	0	4	1	3	4	2	14
Lincrest	3	0	0	2	0	0	5
Loveden Heath	0	1	0	1	0	0	2
Market & West Deeping	1	2	0	3	2	0	8
Morton	2	3	0	0	0	0	5
Peascliffe & Ridgeway	5	4	1	1	0	1	12
Stamford All Saints	1	1	0	1	3	0	6
Stamford St George's	7	2	1	0	5	1	16
Stamford St John's	1	1	0	0	0	0	2
Stamford St Mary's	0	3	4	1	0	0	8
Toller	3	0	0	0	1	0	4
Viking	0	0	1	0	0	0	1