

## **Highbury Group on Housing Delivery**

### **Response to Consultation on Reforming the Right to Buy**

#### **Introduction**

The current context is very different from that when the Right to Buy was introduced in 1980. The council housing stock in England is now only 1,571,000 homes compared with 5,187,000 before the 1980 Housing Act. Even if housing association homes are added, the total social rented housing stock remains about 700,000 below the 1979 figure. The proportion of the housing stock which is social rented has fallen by nearly half – from 31% to 16%. The shortage of social rented housing is now acute, with 123,100 homeless households in temporary accommodation. 1.3 million households are on local authority waiting lists for social rented homes.

In this context it must be questioned why any further loss of social rented homes can be justified, especially at a time when the starts of new social rented homes are again falling, having in effect been frozen for the decade after 2010. Moreover the availability of Right to Buy has acted as a disincentive to local authorities considering building new social rented homes.

While it is recognised that part of the justification for introducing council house sales, was giving some council house tenants the opportunity to become home-owners, when they could not afford to buy in the open market, it should also be recognised that some third of ex Right to Buy properties are now in the private rental market, with the absurd position that councils are now renting back some of these properties for use as temporary accommodation for homeless households.

We therefore believe that council house sales should be phased out as quickly as possible as has already taken place in Scotland and Wales, where the shortage of socially rented housing is actually less acute than in many parts of England. While we recognise the political aspects of the current debate on reform, our argument is based on our experience and analysis of the situation as housing professionals not on any political ideology or assessment of the electoral impact of different reform options.

We therefore support most of the proposals in the consultation paper as a transitional stage, and therefore support those options which limit discounts and eligibility most strictly. The exemption of new build properties is essential if local councils are to be encouraged to build new social rented homes.

We recognise that social rented housing should not be treated as sacrosanct and that reforms to management, rent setting and tenancy conditions may be necessary. But these reforms are separate to the issue of the future of the right to Buy.

## **Response to consultation questions.**

Q1 More than ten years

Q2 Yes

Q3 No comment

Q4 No discount (minimum or maximum)

Q5 Yes

Q6 Yes

Q7 Exempt all properties in areas of unmet housing need

Q8 Yes

Q9 Permanently

Q10 Permanently

Q11 No comment

Q12 Yes

Q13 Resale to council at original tenanted value = inflation (RPI not property value inflation) less with full repayment of discount.

Q14 Yes. Must be like for like replacement

Q15 No comment

Q16 We support use of receipts and grant where receipts cannot fund like for like replacement.

Q17 10 yearsQ18 Yes

Q19 Yes

Q20 No comment

Q21 Yes

Q22 No comment

Note: The Highbury Group on Housing Delivery comprises an independent group of specialists from the public, private and independent sectors with a membership drawn from housing, planning and related professions; it offers advice and makes representations to Government and other agencies on a variety of subjects, with the aim of maintaining and increasing the output of housing, including high quality affordable housing. The views and recommendations of the Highbury Group as set out in this and other papers are ones reached collectively through debate and reflect the balance of member views. They do not necessarily represent those of all individual members or of their employer organisations. The group's core membership and previous statements and research presentations are on the group's website:

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